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ABSTRACT

This manual for managers, supervisors, and union representatives presents information on how to implement a comprehensive program of voluntary reduced work time (V-Time) options for employees. (V-Time allows full-time employees to reduce work hours temporarily while retaining benefits.) It reports mainly the experiences of two counties and two state agencies in California. Manager, union, and employee perceptions of V-Time are reported, and case histories are provided of the State of California departmental programs (Employment Development Department and Department of Real Estate), and counties (Santa Clara and San Mateo)--all of which were involved in V-Time programs. A discussion follows of what makes V-Time work. Focuses are on support from management, program design (with policies in such areas as range of time reductions, scheduling reduced work time, duration of enrollment, application process, approval or denial of request, program termination, and employee status and benefits), and maximizing participation. Samples and worksheets are included. Helpful hints for implementation are then presented for these areas: surveys as a design instrument and program initiation, administration, and evaluation. Attachments, amounting to approximately two-thirds of the manual, include these sample materials: application agreements, promotional materials, surveys, and evaluation questionnaires. A supplemental reading list is also appended. (YLB)

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TIME

A NEW WAY TO WORK

A RESOURCE MANUAL FOR EMPLOYERS AND EMPLOYEES

Prepared by Barbara Moorman and Barney Olmsted

NEW WAYS TO WORK

CE 042 885

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TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

New Ways to Work (NWW) is a non-profit, work resource and research organization. Founded in 1972, it opened because of a belief that many people's work needs were not being met in our changing society.

We wish to thank the Zellerbach Family Fund and the San Francisco Foundation for providing the funding that enabled us to produce this manual. The project could not have been undertaken without their support.

Our colleagues at New Ways to Work, Nan McGuire and Suzanne Smith, read several drafts of the material and offered their insights and suggestions. Nan also gathered much of the data incorporated in the manual.

Others who gave of their time to read a draft of this material were Bonnie Graybill, former assistant chief of personnel programs, State of California Employment Development Department, and Dennis McClelland, personnel director, Humboldt County. Their feedback and suggestions were very much appreciated.

Many people generously provided us with information about their V-Time programs as well as their own perspectives on the pros and cons of these programs. They include Bonnie Graybill, former assistant chief of personnel programs, State of California Employment Development Department; Dan Garrett, staff services manager, State of California Department of Real Estate; Paul Hackleman, employee benefits administrator, San Mateo County; Barbara Reider, director of public health nursing, Santa Clara County; Pat Fierro, Deputy Director for Employee Relations, Santa Clara County; Michael Baratz, Executive Secretary, SEIU Local 715; Linda Gregory, AFSCME District 57; and Dick Gleed, field specialist, California State Employees' Association.

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FOREWORD: 'A NEW WORK TIME SCENARIO IS DEVELOPING'

In 1978, when I was chair of a Post Office and Civil Service Subcommittee, we held hearings on alternative work schedules. It became obvious, listening to the testimony, that a new work time scenario is developing.

Changes in the family, economic conditions and lifestyles have made employees want more choices over their work schedules. Employers also have learned the benefits of alternative work schedules. We heard of increasing numbers of organizations, both private and public, that had introduced flexible working arrangements for employees who traditionally had worked rigid hours. Following these hearings, I pushed for enactment of legislation to make the federal workplace more adaptable to employees' needs.

One bill (Federal Employees Flexible and Compressed Work Schedules Act, P.L. 95-390) established an experiment with flexible and compressed work hours in federal agencies. The experiment was so successful that the program was extended in 1982.

The second bill (Federal Employees Part-Time Career Employment Act, P.L. 95-437) created a permanent program to encourage wider use of permanent part-time employment in the federal government. Prorated benefits for part-timers were made statutory and a disincentive was removed by requiring that, for purposes of personnel ceilings set for agencies by the Office of Management and Budget, permanent part-time workers be counted by the hours worked, rather than the traditional "head count."

Since 1978, when the legislation passed, 10,000 new part-time jobs have been created, 30% of which represent employees who converted from full-time to part-time schedules.

Voluntary reduced work time gives workers even more options in scheduling their work time, family time and personal time.

It benefits employers because it allows them to retain skilled employees when changes in their lifestyles and needs otherwise might force them out of work altogether.

Older workers who prefer phased retirement, handicapped workers and working parents would be helped by this option.

The relationship between voluntary, flexible reduced work time options and the increase in the number of two-paycheck families is clear. Changes in the economy have made it necessary for couples to earn two paychecks to keep pace. The number of women working outside the home has increased 173% since 1947. As a result, demands from working mothers for more flexible work schedules have been increasing, and from fathers who want to be more involved in caring for and raising their children. Witnesses from the national Fatherhood Project of Bank Street College of Education in New York recently testified before the Select Committee on Children, Youth, and Families, on which I serve, about the conflict between work and family life and the need for more flexible schedules.

Voluntary reduced work time—V-Time as it is called in California—has the potential to both save and create jobs. It is a program that should be strongly encouraged. Since there is generally some hesitation to do things differently, this *V-Time Resource Manual* should provide valuable assistance to managers who want to implement this type of program.

By U.S. Representative Patricia Schroeder, D. Colorado

WHAT IS V-TIME?

V-Time is short for voluntary reduced work time program. It is a time/income tradeoff arrangement that allows full-time employees to reduce work hours temporarily. The original model program was developed by the Service Employees International Union, Local 715, in Santa Clara County, California. In a prebargaining survey of its members in 1976, **the union local found more interest in shorter hours than in higher pay. So the union designed and proposed a V-Time program.**

Previously, both labor and management in the county had experimented with scheduling options, so the number of permanent part-time positions was growing. However, most of these positions were lower-level job classifications.

The first contractual innovation called for a certain percentage of positions that were not normally available to part-timers to be restructured by splitting or sharing.

In 1976, a second new work time option was implemented: the country's first V-Time program. For several years it was unique.

In 1980, however, the success of the Santa Clara County V-Time program made it a model for state legislation. That year, California passed the Reduced Work Time Act, and shortly thereafter began implementing programs for state employees. (See Attachment 13.) In 1984, the state of New York followed suit with a two-year project, which permits employees to opt for reduced work schedules.

Under a typical V-Time program:

- Reductions of work time (and pay), ranging from 2.5% to 5%, 10%, 20% and 50%, are offered.
- The schedule remains in force for a designated period, usually six or 12 months, to allow employees and employer to try out the new scheduling arrangement, with the assurance that the commitment can be either renegotiated or terminated at the end of that period.
- All employee benefits are maintained; some are prorated.
- A supervisor must authorize an employee's participation in the program.
- The time off can be taken either on a regular basis, as a reduced day or week, or in a block of time, such as extra vacation or days off work.

Depending on the program, an employee could have almost limitless possibilities for balancing work with other responsibilities such as family or school, gaining new skills, responding to an injury or health problem, or phasing retirement.

V-TIME: A RESPONSE TO CHANGE

"There is no question that employees prefer to have a choice, and those companies that offer choices will have an edge over those that don't."[1]

The speaker is a senior vice president at Bank of America. His subject is one of the fastest-changing areas of human resource management: employee benefits. One aspect of their lives over which employees are insisting on having more choice is work time. New scheduling options, including less than full-time arrangements such as job sharing and V-Time, are becoming increasingly popular. **Although such flexible arrangements, are not yet standard items in benefit packages, they will be.** A 1979 survey conducted for the National Commission for Employment Policy found:

"A solid majority of workers would give up at least two percent of current earnings for their choice among five different forms of free time and one-fourth claimed a desire to forgo 10 percent or more of their income for time."[2]

Reduced work time options, which allow workers to buy back their time from employers, are considered an important form of compensation by growing numbers of employees—and a cost-effective one by employers.

Traditionally available only on an ad hoc, or individually negotiated basis, new work schedules such as job sharing, professional part-time and V-Time are increasingly being offered in program form as employers realize that a reduced work time program can facilitate a number of management objectives. (See "Perceptions of V-Time".)

In addition, V-Time has important social and economic ramifications:

V-TIME SPREADS EMPLOYMENT WHILE IMPROVING THE QUALITY OF WORK LIFE. The workers who prefer, at least temporarily, to trade paid work hours for more personal time release work hours, which allows more people to be employed. The long-range importance of this type of intervention cannot be overemphasized.

V-TIME ALLOWS WORKERS TO UPGRADE SKILLS OR TO TRANSITION FROM ONE JOB OR CAREER TO ANOTHER. Worker dislocation is an increasing problem as new industries grow and older ones contract. If employees are able to prepare for change, many will be able to make transitions on their own.

V-TIME ALLOWS EMPLOYERS TO REDUCE COSTS WITHOUT CUTTING PEOPLE OR JOBS. In 1982, the State of California estimated that V-Time could save state agencies $1,198,434 by allowing employees who wanted to cut back on their jobs to do so.[3] Organizations faced with the need to "downsize" may find V-Time more humane than layoffs.

UNLIKE SHORT TIME COMPENSATION (STC),[4] V-TIME CAN BE IMPLEMENTED WITHOUT STATE LEGISLATION AND COMPLEMENTS THE STC APPROACH. V-Time is an alternative to layoffs for employers unable to participate in STC programs. Barriers to participation can include:

- The absence of state enabling legislation.
- Time limitations imposed by existing work sharing/ STC programs.
- A financial disincentive because their organization self-insures or does not prepay unemployment insurance.

V-TIME CAN BE IMPLEMENTED WITH MINIMAL MODIFICATIONS OF EXISTING MANAGEMENT AND PERSONNEL POLICIES: IT COMPLEMENTS, RATHER THAN SUPPLANTS, CURRENT PRACTICES. Numerous

[1]San Francisco *Chronicle*, August 13, 1984.

[2]"Exchanging Earnings for Leisure: Findings of an Exploratory National Survey on Work Time Preferences", U.S. Dept. of Labor, Employment and Training Administration, 1980.

[3]Dept. of Personnel Administration Report to the Legislature, September 1981.

[4]Short Time Compensation (STC) is a practical combination of work sharing and partial unemployment insurance benefits for lost work time. Barriers to its use are the same as for V-Time.

management experts (Drucker, Yankelovich, Naisbitt, Kanter) have detailed the changes in technology, lifestyle, economics and demographics that mandate new designs in management systems. V-Time is a response to these changes.

V-Time programs are addressed here in detail for the first time. This manual is for managers, supervisors and union representatives who want to know how to implement a comprehensive program of reduced work time options for employees. Although the manual reports mainly the experiences of two counties and two state agencies in California, V-Time programs are suitable for any large employer.

PERCEPTIONS OF V-TIME

"New work schedules, when carefully chosen, designed and executed, are among the best investments an employer can make"

—Stanley D. Nollen, Author, *New Work Schedules in Practice: Managing Time in a Changing Society,* Van Nostrand Reinhold (NY) 1982.

Why Managers Like V-Time

V-Time programs are attracting management interest for several reasons:

SALARY SAVINGS. V-Time programs allow employees to "buy back" time from their employer. This gives workers a non-monetary form of compensation and managers a means of reducing payroll costs. "Spinoff" savings include less personal business conducted on work time, less fatigue and therefore fewer accidents, reduced use of sick leave or personal leave and, in some instances, job restructuring so that some routine or less demanding aspects of a job can be delegated to a lesser-paid employee.

IMPROVED ORGANIZATIONAL EFFICIENCY AND EFFECTIVENESS. Not all work flows evenly or is conducted most efficiently Monday through Friday from 9 to 5. Nor does employee productivity sustain an even pace. Having employees on a variety of schedules, both full-time and reduced, allows a manager to redesign employee schedules according to work flow, increasing staff during busy times and reducing during slack periods.

Employees who have some choice in when and how long they work are less susceptible to burnout. They can balance multiple demands of work, family, school, community commitments, ensuring that non-work responsibilities do not infringe on either their energy or time on the job. They also can adjust their schedules to conform with their own biological clock. The result: **improved efficiency at work.**

Some supervisors argue that employees on different schedules cause confusion and require more supervisory time and effort, reducing efficiency. Even advocates agree that diversity can put extra demands on management; however, they believe this forces managers and supervisors to become more effective.

ALTERNATIVE TO LAYOFF. Many managers realize it is in their best interest to avoid layoffs during periods of economic decline. When layoffs are impending, productivity suffers as employees share rumors and fears. When workers are recalled, the employer must often deal with a now-disgruntled employee. The President of a small manufacturing company summed it up thus:

"One might assume that after the traumatic experience of unemployment this guy would come back grateful to have a job and thus be a more loyal employee. Forget it! He has learned one lesson and he may never forget it: this is not his company . . . he's a variable labor cost easily dispensed with when times get tough."[1]

IMPROVED EMPLOYEE MORALE. V-Time programs are popular with employees. Even those who decide to remain on a standard schedule appreciate the fact that a choice is available. They perceive employers who offer this type of option as being supportive and forward looking. Good employee morale can increase productivity, reduce turnover,

[1]R. Macoy and M. Morand, *Short-Time Compensation: A Formula for Work Sharing*, New York, Pergamon Press, 1984, p. 188.

aid recruitment and other positive management objectives—but the cost of the improvement must be acceptable. **One authority has termed alternative work time options the most cost-effective benefit an employer can offer.**

Unions and V-Time

The first V-Time program was designed and negotiated by a union in response to its members' desire for more personal time rather than more money, but not all unions regard V-Time positively. Many oppose any reduced work time arrangement except a shorter standard workweek, particularly if their members are not asking for other options. Others fear that V-Time will result in speedup. Some aspects of V-Time, however, are attractive to most unionists.

V-TIME UPGRADES PART-TIME WORK. V-Time answers many of the concerns unions historically have had about reduced, or part-time, work schedules. They are, by definition, voluntary. The part-timer retains the same job protections as a full-time employee. Salary scale is not diminished and a procedure is established for the return to full-time status if the employee so desires.

Michael Baratz, executive secretary of SEIU Local 715, described his support for V-Time programs at a 1977 hearing on leisure sharing before the California Senate Select Committee on Investment Priorities and Objectives.

"What's good about the program for the workers is that while they may reduce their wages, most all of their benefits remain intact," he said. "No change occurs to health or dental premium contributions by the county or other benefits."

Linda Gregory, business agent with the American Federation of State, County and Municipal Employees District 57, underscored that position in remarks before the same committee.

"We really support voluntary work hour reduction," she said, "when it's an agreement with the union in which people know their rights are going to be protected and in which there's a real framework."

SAVED JOBS MEAN SAVED MEMBERS. V-Time can help minimize layoffs.

As one union officer put it:

"When people start going out the door, aside from the problem of priority—who goes and who stays and on what job—there are new complaints both from those working and those unemployed. When they start being recalled it's even worse. They all think they ought to be next. I'm constantly in and out of the personnel office checking personnel records, seniority dates and time cards. It's a no-win situation."[2]

OTHER PLUSES. From the union perspective, it is a cost-effective benefit, which means it can be good bargaining point during contract negotiations. And it gives union representatives a way to respond to certain needs of some members.

A 1983 New Ways to Work survey of unions in the San Francisco Bay Area showed that a majority of all respondents (72%) and an even higher percentage of public sector respondents (82%) held that "V-Time plans are an effective means of providing workers with opportunities to work less than full-time." Sixty-eight percent said they would be willing to implement a V-Time plan on a temporary or experimental basis if there were a joint labor-management committee in place to develop, monitor or rescind the plan.

Employees and V-Time

Since the mid-1970s, many workers have been expressing a need for alternatives to the standard 9 to 5, five-day work week. Polls of working parents, older workers and younger workers consistently indicate great interest in scheduling options such as job sharing, permanent part-time and sabbaticals.

When queried, most of the respondents in the studies did not perceive the move to a reduced schedule as a permanent change. For the most part, they realized the employer might not be able to guarantee a return to full-time in the same position, but they said some procedure for return to full-time at a future date was important.

Another pertinent point was suggested by the wide variety in employee preference of the ideal amount of work time reduction and the form in which it might be taken: The more choices offered, the more respondents expressed an interest in V-Time.

[2]Ibid, p. 189.

CASE HISTORY: STATE OF CALIFORNIA

Background

In the 1970s, NWW worked with legislators and staff of the Legislature's Joint Committee on Legal Equality to draft bills that could facilitate the state's experimentation with various forms of voluntary part-time employment. The Department of Motor Vehicles and the State Personnel Board conducted pilot projects on job sharing and permanent part-time employment between 1975 and 1977.[1]

In September 1979, California became the first state to investigate the potential for using reduced work time to spread employment. The Legislature passed Senate Bill 370, the state's reduced work time program whose expressed purpose was to preserve employment opportunities during lean times. SB 370 required state agencies to offer employees the opportunity to voluntarily reduce their hours whenever an agency contemplated paring full-time personnel 1% or more. It specified that reduced hour programs be established *only* under such a contingency, and it contained a sunset clause repealing the law June 20, 1982. (See Attachment 12 for text of SB 370.)

Guidelines were formulated in 1980, but the legislation was never implemented. Before the state budget shortfall became serious enough to require cutbacks, the Legislature passed another reduced work time law, which recognized many of SB 370's provisions. This new law served as the basis for the V-Time programs eventually implemented by state agencies.

The Reduced Worktime Act (SB 1859, July 1980) made it state policy, to offer to the extent feasible reduced work time on an *ongoing* basis to interested employees. The law, which became effective January 1, 1981, allows employees who can't or don't want to work a standard work week to request employment of less than 40 hours per week. The act also provides that:

- Permanent employees who voluntarily reduce their work time shall, upon request, be given first priority for returning to a full-time schedule to the extent that full-time work is available.
- Employees coerced into reducing work time have a right to grieve.
- Management may require an employee on reduced work time to return to full-time when work load demands it.

Furthermore, the act prohibits the impairment of employment rights or benefits of reduced work time employees and provides them the same rights during layoff as full-time employees.

Finally, the legislation mandated that the State Personnel Board issue written guidelines for departments wishing to establish V-Time programs. This responsibility was later transferred to the Department of Personnel Administration. However, because the provisions of the Reduced Worktime Act represent negotiable "working conditions" under the California Employer/Employee Relations Act, the legislation noted that any program developed under State Personnel Board guidelines would be superseded by the provisions in a memorandum of understanding with the employee bargaining unit. (See Attachment 13 for copy of SB 1859.)

In the 1982 contract covering state employees, reduced work time was recognized as a way to avoid layoffs and the attendant problems. The following language appears in the contract signed between state management and the California State Employees Association (CSEA), and similar language appears in contracts for 16 of the 20 bargaining units in the participating agencies.

"Flexible Work Hours: Upon request by an employee the state shall consider flexible work hours or an alternative work schedule.

"Reducing the Adverse Effects of Layoff: Whenever the state determines it is necessary to lay off employees, the state and CSEA shall meet in good faith to explore alternatives to laying off employees such as, but not limited to, voluntary reduced worktime, retraining, early retirement and unpaid leaves of absence."

The following provision also appears in the contracts:

"Alternative to Layoff: The state may propose to reduce the number of hours an employee works as an alternative to layoff. Prior to implementation of this alternative to a layoff, the state will notify and meet and confer with CSEA to seek concurrence on the usage of

[1]During that same period, other states also experimented with expanded opportunities for voluntary permanent part-time and job sharing: Alaska, Colorado, Hawaii, Massachusetts, Maryland, New York, Oregon, Washington and Wisconsin.

this alternative."

If all other attempts to avoid layoff fail, the above language opens the door for discussions between the unions and management for some kind of furlough.

Implementing

In 1982, the state budget shortfall loomed as a serious problem. That February, Gov. Jerry Brown's office issued a memorandum to all department directors and agency secretaries that strongly recommended they utilize reduced work time options. (See Attachment 1.)

Throughout the spring and summer, the Department of Personnel Administration conducted layoff briefings with more than 30 departments, encouraging use of reduced work time to lessen layoffs. The DPA placed an article in its April report, which was widely distributed (Attachment 14). The article stimulated employee interest in reduced work schedules, but because some personnel offices were not well-informed on the subject, the DPA received reports of employees who couldn't get answers to their questions about reduced work schedules.

In May 1982, the DPA director issued a second memorandum to all department directors and agency secretaries reminding them to grant employee requests for reduced work time whenever possible and asking them to report on the status of reduced worktime programs. (See Attachment 15.)

By September 1982, 12 of the 41 reporting state departments had instituted reduced work time programs. This chapter examines two of those programs: at the Employment Development Department, involving more than 500 employees, and a smaller program at the Department of Real Estate. (See Attachment 16 for chart summarizing usage of reduced work time by department as of September 1982.)

In November 1982, a new governor was elected. It was not until April 1984 that the rules governing the administration of reduced work-time were issued. (See Attachment 17.) Until then, agencies interested in initiating V-Time programs followed the SB 370 guidelines and adapted them as necessary. Agency heads considering V-Time also have asked agencies that have a program for information and advice.

CASE HISTORIES: DEPARTMENTAL PROGRAMS

Employment Development Department State of California

EDD's V-Time program had its genesis in an earlier effort called reduced work time, authorized by SB 1859, the Reduced Worktime Act, which began in May 1981 and through which the department more than doubled its part-time workforce. By March 1982, part-time workers increased from 196 to 463—all of them full-time employees who cut back their hours. At the time, Jack Padley, EDD personnel chief, was quoted by the *Sacramento Union* as saying, "We've had a very good experience with this so far." He noted that the department had been able to reduce its overall staff without resorting to layoffs.

The V-Time program was introduced to EDD's executive staff late in 1981. **The incentives for larger numbers of employees to reduce their work time addressed various management concerns.**

The department was experiencing a budget crisis because of a federal freeze on funding while state unemployment was increasing. Normally, EDD hires intermittents (employees on call) to handle the increased claims work load, but the federal freeze prevented that. With more employees on reduced work time, managers could divert the salary savings to hire intermittents (at lower cost) in their field offices.

Furthermore, management already had implemented various cost-cutting measures and layoffs seemed imminent. Managers were eager to avoid this, as the state requires any department planning layoffs to go through a lengthy review process to ensure affirmative action protections.

The department's pilot V-Time program was scheduled to run April 1, 1982, through June 30, 1983. It was available to all EDD workers (then nearly 9,400), from top executives to clerks. It allowed them to trade income for time off over a six- or 12-month period. It differed from the department's Reduced Worktime program in three fundamental ways each of which provided incentives for greater numbers of employees to participate.

1. V-Time employees elect to reduce their work time for a specific, short-term (six- or 12-month) period. Standard reduced work time is a more permanent time base reduction.

2. V-Time employees may elect to shorten work days or work weeks, take occasional irregularly scheduled days off (with the agreement of their supervisor), or accumulate time off to take in an extended period (with supervisory approval). Reduced work time employees typically can elect only shortened work days or work weeks—they are *not allowed* to bank or save up time.

3. V-Time employees have the right to return to full time at the end of the six- or 12-month period. Reduced work time employees have the right to return to full time only when there are vacant positions in their class and location that management intends to fill.

To announce V-Time to the department, the EDD director wrote a memo that was distributed to all employees March 22, 1982. By April 1, nine days later, 300 employees had signed up. By the end of the first six-month period (September 1982), that number had increased to 823 and included employees from a spectrum of classifications, including midlevel managers. The average time reduction was 10%.

During this same period, reduced work time participants had also increased, to a high of 520 with an average time reduction of 30%. This meant that at peak usage (9/82), 14% of EDD's full-time work force of 9,396 was on some form of reduced work time.

In November 1982, the department conducted a formal evaluation of the program. Employee response was enthusiastic and feedback from supervisors was positive.

The success of the pilot prompted EDD to formulate an ongoing V-Time program for EDD employees. That plan, however, was postponed because of unsettled economic conditions and the staffing uncertainty caused by the statewide hiring freeze in January 1983, which restricted EDD from hiring during a period of heavy unemployment insurance workload. In November 1983, V-Time was again made available to EDD employees with a few technical modifications based on the department's experience during the pilot program.

EDD's pilot V-Time program has been used frequently as a model by other state agencies.

Department of Real Estate
State of California

In 1982, the Department of Real Estate considered laying off numerous employees in many classifications. **Management avoided that scenario by initiating a voluntary reduced work time program,** outstationing* some employees and taking advantage of attrition.

Before initiating the V-Time program, the department surveyed its 360 employees to determine interest. Of the 98% who returned their surveys, approximately 10% were interested in the program. When the program began, about 60% of those interested (20 employees) actually signed up. The department had promoted the program through periodic newsletter articles and by sending written information to all of its employees.

The 20 who participated represented most of the civil service classes employed in the Department of Real Estate, including managers. In the clerical classes were office assistant, office technician, program technician and office services supervisor. Professionals who participated included real estate specialist I & II, real estate manager I & II, personnel analyst and training officer.

None of the department's appraisers, auditors or attorneys has participated in the program yet. Dan Garrett, staff services manager with the department, speculated this may be because of their heavy work loads. At one point, when layoffs appeared imminent, the attorneys agreed to reduce their timebase, en masse, to save two positions. This never came about, according to Garrett, because the department was able to avoid layoffs and the demands for special exemptions from reduced work time policies put forth by the attorneys were unacceptable to managers.

According to Garrett, very few managers have denied employees the opportunity to participate in the program. The most typical use of time off in the department is two days per month, or a 10% reduction.

Garrett said the program has required "some extra work for payroll staff and unit timekeepers, but this has not been a significant problem. There has been no complaining since the original implementation."

The department saved $37,367 on personnel in the program's first year, $30,537 in the second year when participation dropped to 17.

*Outstationing, as the term is used by the Department of Real Estate, refers to the practice of lending employees to another department for a period of time, during which that department pays the employee's salary.

CASE HISTORIES: COUNTIES

Santa Clara

In 1975, Service Employees International Union Local 715 attempted unsuccessfully to negotiate a V-Time program with the county. According to Michael Baratz, executive director of the local, **"We wanted the program as a benefit for our members. Our people wanted more personal time."**

A year later, when the county announced a budget crisis and threatened to cut staff 6.5% (primarily in the area of public health), the union again introduced its idea of a voluntary reduced work hours program. This time the Board of Supervisors, which is not normally involved with wage and contract talks, lent its support to the program.

The countywide program began in December 1976, and proved so successful that it was renegotiated into the union contract the following year. Unlike the state programs, managers in the county program cannot participate, only employees covered by the union contract are eligible.

As initially designed, the program allowed employees to choose one of four time reductions: 2.5%, 5%, 10% and 20%. They could apply for the program during a six-week signup period. If accepted, they would remain enrolled for six months. Enrollment would be reopened at the end of the six-month period.

During the spring and summer of 1982, it became apparent that the county faced a serious shortfall for fiscal year 1983. The county executive's initial budget proposal for the Public Health Nursing Division called for a 87% decrease in staff. The final budget called for a 27% reduction in expenditures and included the elimination of 31 positions (many were eliminated through attrition) and the budgeting of a sizable voluntary reduced work hour obligation ($409,192 or 10% of the division's budget).

To reach its targeted budget reduction, management promoted V-Time. Some nursing division staff were not participating in the program because the time reductions allowed were either too great or too small for their needs. **Many staff said they would participate or increase participation if a greater range of reductions were allowed.** The director, therefore, proposed to the county that the following time reductions be added to those already offered PHN Division employees: 7.5%, 12.5%, 15%, 17.5%. Both the union and the county supported her proposal.

According to Barbara Rieder, director of PHN, "We had about 80% participation in the program because everyone really wanted to save jobs." The new schedules made it possible for more people to participate and for others to increase their time reductions. Most of the non-participants were workers for whom participation would have been a hardship. They were employees who were either within three years of retirement or in the lower paid classifications.

Because the program met its targeted budget savings, the division was able to retain one unit of public health nurses (i.e., one supervising PHN, 8 PHN IIs, 2 community workers and 2 clerk typists), avoiding the need to close one branch office.

Rieder summarizes the value of the voluntary reduced work hours program this way: "The program clearly allows you to retain more staff and that means more creativity, more commitment and more support from your people. In addition to all of this, it helps to stabilize the economy."

During fiscal year 1984, the program was changed somewhat. Paperwork on DPH Nursing Division employees was being done by hand because of the difficulty in programming the computer to handle the added time reductions. The county decided to disallow the new time reductions and allow the Public Health Nursing Division only those reductions also allowed other county employees. Interestingly, this has had little effect on participation.

San Mateo

The San Mateo County voluntary reduced work time program began September 20, 1977. The program was proposed by the two unions representing most of the county employees, Service Employees International Union Local 715 and the American Federation of State, County and Municipal Employees District 57, in an attempt to save jobs for their members.

According to Linda Gregory, business agent for AFSCME, management initially resisted the proposal, but the county Board of Supervisors "issued an edict that the county would do everything possible to avoid layoffs."

The plan was begun on an experimental basis that

year and renewed annually until 1982, when it was made a permanent program. The V-Time plan was modeled on the plan used by neighboring Santa Clara County, which had begun the year before. The time reductions permitted employees were 5%, 10% and 20%, and workers are required to sign up for a 12-month period.* The 5% reduction has been most popular with employees, followed by 10% and 20%.

In the first program year, 150 employees submitted applications and 70 were approved for a savings to the county of $39,600. Participation jumped to 104 in the second year and remained relatively stable for a few years.

The 1981-82 year saw another dramatic increase in participation (from 103 the previous year to 164) because the Mental Health Department was considering layoffs midyear and the county reopened enrollment to help save jobs.

The following year, participation dropped slightly to 157 employees, representing 4.1% of the workforce of 3,800. This percentage would be higher if based only on the number of employees eligible: Some departments do not allow participation. The greatest number of participants were in the mental health and social services departments, although a wide range of departments had employees on reduced work time. (See Attachment 18 for the numbers of employees participating in V-Time by department, fiscal year 1982-83. Also see Attachment 19 for a visual history of San Mateo County's V-Time program from 1977-84.)

*The plan differs from the Santa Clara County model in that it does not give a 2.5% reduction option and requires a 12-month rather than a six-month commitment.

WHAT MAKES V-TIME WORK?

Three things are necessary to successfully implement a V-Time program:

- Support for the program at a variety of employee and management levels.
- Program design that emphasizes parity with full-time work.
- Employee participation.

Support From Management and Employee Groups

Support from **senior management** is critical. Supervisors more readily approve V-Time requests when there is support from senior management. If the initiative for a V-Time program starts with middle management, efforts must be made to gain the support of top administrators. One way is through top-level briefings that detail the experience of V-Time programs in peer organizations.

Middle managers' support is equally important. To get their support, involve the managers and supervisors in the design of the program, getting their input on procedural decisions. This may take longer to design the program, but it is key to its long-range success.

A major concern of department heads and supervisors is how V-Time will influence their future budgets and staff. Many believe that having employees on reduced work time is a signal to those who control the budget that their department can get by on less. So top executives should make middle management aware of their support, either through written communication, briefing sessions or both. (See Attachment 1 for sample of written support from senior management.) It also is helpful to assure them that their department's participation in V-Time will not adversely affect future budgets.

Whether managers are permitted to participate in the program themselves may influence their response to employee requests and their general attitude about V-Time. They can see this option as applicable to all, not just clerical or lower-level classifications, if the program is available to them and their peers.

A manager whose department has a heavy work load may be reluctant to approve V-Time requests—particularly if the company has instituted a hiring "freeze" tied to a head count, which would prohibit extra hires, or if the department is unable to reduce its work load.

If management introduces the idea of V-Time and all or part of the workforce belongs to a **union** then labor representatives should be part of the V-Time discussions from the onset of the planning process. Similarly, absent a union, involve employee representatives in the program design.

Program Design

A V-Time program requires policies in various areas, including:

RANGE OF TIME REDUCTIONS. Determine the range of time reductions to be offered. (See Attachment 2 for the ranges offered by the programs described in this manual.) In general, the more choices the greater the participation in the program. However, the more variety there is the more work it is to administer the program. Planners could survey employees to determine which reductions would be most popular. (See p. 22 for more on surveys.)

SCHEDULING OF REDUCED WORK TIME. How they can schedule time off is particularly important to employees. For example, many would like to accumulate time and take it off in blocks rather than work fewer hours each day. Successful programs offer a choice:

- Working a shortened schedule, either a shorter workday or a shortened workweek.
- Reducing pay but continuing to work full time and taking full days or blocks of time off at a later date, with supervisor's approval.

Most V-Time programs require applicants to indicate how they wish to take the time off and supervisors review this scheduling selection with the application. The San Mateo County program is an example of how the scheduling of time off can be regulated. Under that program, all accumulated time off is available on the **starting date of the program.** For example, an employee who cuts back by 20% gets one day per week, or 52 days, of V-Time off available. He could conceivably take off the first 52 days of the year and then work full-time thereafter. Time off must be scheduled and used prior to the program termination date. (The program is renewed

GOAL: GAINING SUPPORT FOR THE V-TIME PROGRAM

SAMPLE

	Staff Responsible	Completed By
■ SENIOR MANAGEMENT		
Make presentation(s) to senior management group	NM	8/1
Obtain authorization for program and statement of support	NM	9/1
■ MIDDLE MANAGEMENT		
Form advisory group to help develop policy about budget retention, participation eligibility, hiring of additional staff, etc.	BM	9/15
Hold orientation meetings for all managers and supervisors	NM	1/1
Distribute statement of top management support	NM	10/1
■ UNION/EMPLOYEE GROUPS		
Inform appropriate employee group representatives of proposed new program	BM	9/7
Recruit representatives for advisory group	BM	9/15

GOAL: GAINING SUPPORT FOR THE V-TIME PROGRAM

WORKSHEET

	Staff Responsible	Completed By
■ **SENIOR MANAGEMENT**		
■ **MIDDLE MANAGEMENT**		
■ **UNION/EMPLOYEE GROUPS**		

annually.) Employees cannot carry over unused time beyond the termination date. An employee who withdraws from the program prior to the termination date gets his or her pay adjusted accordingly.

DURATION OF ENROLLMENT. All programs require that employees sign up for a specific period of time—generally six or 12 months—beginning with the first day of a pay period. This allows managers to plan their budgets and work needs accordingly. Programs vary but there are two general approaches:

- Designated enrollment period. During this time, an employee must decide whether to enroll in the program. San Mateo County has only one enrollment period each year and employees must sign up for an entire year. Santa Clara County and its Public Health Nursing Division allow two enrollment periods each year and enrollees sign up for six months. Both counties' programs require participants to begin the V-Time on the same date.
- Year-round enrollment. Although some managers worry that this would create an "administrative nightmare," Bonnie Graybill, former Assistant Chief of Personnel Programs Division at California's Employment Development Department, attempts to calm their concerns. She maintains that year-round enrollment produces a "regular flow of applications that is probably more manageable than if you were to receive them all at the same time. Moreover, it provides both managers and employees some negotiating flexibility." As Graybill explains, for example, if an employee wanted to reduce to half time from January to March and that is a busy period for the employer, the manager could respond by saying, "I just can't afford to do it then, but if you would like to reduce from April to June, I think we could handle it."

APPLICATION PROCESS. The application form, signed by both the employee and the department head, becomes a contract between the employee and employer. The form contains:

- Pertinent employee information (name, classification)
- The time reduction requested
- Preference for scheduling time
- Length of time employee wishes the reduction (or program termination date in cases where this is not a variable).

Most of the forms also refer to the program guidelines, thus ensuring that all parties understand and agree to the conditions under which the employee is reducing his or her time. For example, a form might contain a sentence such as: "I understand that participation in this program will have the following effect on my fringe benefits: (delineate the effects)."

For a sample application agreement, see Attachment 3. The exact content of the application will depend upon program and policy guidelines.

APPROVAL OR DENIAL OF REQUEST FOR PARTICIPATION. Employee requests for V-Time must be handled fairly and objectively. Decisions that seem arbitrary or based on favoritism will quickly foster resentment among employees and erode morale. To ensure fairness:

- Establish guidelines for approving or denying requests. (See Attachment 4 for sample.)
- Establish an appeal process.
- Provide employees and managers with written information on the guidelines and the appeal process.

PROGRAM TERMINATION FOR INDIVIDUALS. Participation in the program automatically terminates when the contract period ends. The employees return to their full-time status and schedules unless both parties agree to a renewal.

Additionally, individual participation automatically ends when the employee is transferred, promoted or demoted. The employee in a new status must renegotiate V-Time participation if he or she still wishes to do so.

Finally, some programs allow either party to terminate the arrangement by giving 30 or 60 days notice. Some require that the employee demonstrate hardship before being allowed to renounce the agreement.

EMPLOYEE STATUS AND BENEFITS. If participation in the program is in any way detrimental to employee benefits or status, enrollment will suffer and union support will be more difficult to secure. Attachment 5 enumerates 15 pertinent benefit areas and compares how various programs have dealt with them.

Once the nuts and bolts of the program have been designed, implementation begins. The objective should be to encourage maximum employee interest and participation.

Maximizing Participation

There are two reasons for trying to ensure maximum employee participation. An employer who introduces V-Time as an alternative to layoff will want as many workers as possible to enroll. Similarly, an employer

GOAL: PROGRAM DESIGN

SAMPLE

- Range of Reductions will include:
  5 %, 10 %, 12.5 %, 20 %, 30 %, 50 %.
- Time may be taken off as:

Reduced work day	Additional vacation
Reduced work week	
Personal time off	

- Enrollment will be:
  X Open, all year round _____ A ____ week period from _____ to _____.
- Participants will remain on reduced schedule for:
  ☐ A fixed period set by management: ____ two pay periods ____ six months ____ twelve months
  ☒ Varying periods of time agreed upon between employee and supervisor.
- Application Process Tasks:

1. Form Designed	☑	4. Approval/Denial Process Formulated	☑
2. Criteria for Handling Requests Written	☑	5. Appeals Process Designed	☑
3. Termination Regulations Approved	☑		

- V-Time's impact on employee status and benefits will be:

1. Alternate Range Movement	Slower; qualifying time based on actual time base
2 Health & Dental Plans	No impact, retain full coverage
3. Holidays	Prorated
4. Life Insurance	No impact
5. Disability Insurance	Based on salary; proportionately lower
6. Merit salary adjustment	No impact
7. Order of layoffs	No impact. However, seniority accrual is prorated (see below)
8. Overtime	Must work over 40 hours to quality for overtime
9. Probationary period	No impact
10. Promotional opportunities	No impact
11. Retirement benefits	May be reduced as a result of reduced schedule
12. Seniority & Service Credit	Based on hours actually worked
13. Sick leave	Prorated
14. Vacation	Prorated
15. Workers Compensation Insurance	No impact on eligibility. Benefits could be reduced

GOAL: PROGRAM DESIGN

WORKSHEET

- Range of Reductions will include:
  _____%, _____%, _____%, _____%, _____%, _____%.
- Time may be taken off as:

  _____ _____
  _____ _____
  _____ _____

- Enrollment will be:
  _____ Open, all year round _____ A ____ week period from _____ to _____.
- Participants will remain on reduced schedule for:
  - ☐ A fixed period set by management: ____ two pay periods ____ six months ____ twelve months
  - ☐ Varying periods of time agreed upon between employee and supervisor.
- Application Process Tasks:
  1. Form Designed ☐
  2. Criteria for Handling Requests Written ☐
  3. Termination Regulations Approved ☐
  4. Approval/Denial Process Formulated ☐
  5. Appeals Process Designed ☐
- V-Time's impact on employee status and benefits will be:
  1. Alternate Range Movement _____
  2 Health & Dental Plans _____
  3. Holidays _____
  4. Life Insurance _____
  5. Disability Insurance _____
  6. Merit salary adjustment _____
  7. Order of layoffs _____
  8. Overtime _____
  9. Probationary period _____
  10. Promotional opportunities _____
  11. Retirement benefits _____
  12. Seniority & Service Credit _____
  13. Sick leave _____
  14. Vacation _____
  15. Workers Compensation Insurance _____

who wants to use the program to improve the quality of worklife or to enhance recruitment will want it to be as attractive as possible. Good program design is essential, but employee interest in working less time is influenced by other factors as well.

FINANCIAL CONSIDERATIONS. The first question employees will ask themelves is whether they can afford to work part time. Lower-paid workers will be less likely to participate than workers who earn more money. Members of dual-income families will be more likely to participate. Regardless of income, however, in hard economic times even just the fear of layoff may limit the number of participants.

Those who design the program can make it easier for employees to assess whether V-Time is affordable. Preparing financial impact worksheets, including information on taxes, can be useful to employees and aid managers in promoting the program. (See Attachments 6 and 8 for additional information.)

Moreover, because it's tough to give up income that a person has become accustomed to spending, more employees might enroll if they could choose to forego a planned wage increase rather than their current income.[1] Planners should take this into account when designing the program.

PROMOTION. How the V-Time program is promoted can greatly affect the number of employees applying. Many good programs are "announced," then left to die on the vine. To maximize participation, develop and implement a promotion campaign.

Employees and managers alike will need written information about the program, including why it is being initiated, guidelines, some common questions and answers and how to get answers to other questions. (See Attachment 8 for a sample of promotion materials distributed by the Department of Real Estate.)

The California Employment Development Department promotion materials also provided a breakdown of how the various time reductions would affect an employee's gross and net salaries. This helped employees assess whether they could afford to cut back; it pointed out, for instance, that because an employee's taxes would drop with a 10% time reduction, the corresponding cut in gross pay results in less than a 10% reduction in net pay. Further, the department provided employees with a payroll deduction worksheet so they could determine exactly how much their net pay would be under V-Time. (See Attachment 8.)

If you're implementing a V-Time program, you may also want to consider briefing sessions for employees and supervisors. Such sessions may help insure that the employees will read the detailed program explanation being given them as well as provide a forum to answer immediate questions.

Newsletters can also be used to disseminate information about the program. The State of California's program, for example, was described in the Department of Personnel Administration's Bulletin as well as in the California State Employees' Association newsletter.

In some instances it might also be appropriate to issue a press release to local newspapers announcing the program. This can result in good publicity for the employer or the employee organization sponsoring the program as well as aid in the effort to inform all employees of its availability.

Summary of Actions to Take to Increase Employee Participation in a V-Time Program

- Implement a promotion campaign.
- Offer employees a wide range of time reductions and ways that they can schedule their time.
- Provide employees with the choice of a time reduction in lieu of a planned future wage increase.
- Design a program that retains benefits and employee status for those participating. Pay attention to the effect on seniority accrual and pension benefits.

GOAL: MAXIMIZING PARTICIPATION

SAMPLE

	Staff Responsible	Completed By
■ Develop information resources for employees:		
Design financial impact worksheet for employees:	SS	1/15
Develop handbook explaining the effect of a reduced schedule on rights and benefits	BM	1/30
■ Promotion Plan:		
Write article on new program for departmental newsletter	BO	1/1
Design brochure to promote program	BO	1/30
Schedule departmental meeting to answer employee questions about program	NM	2/1

GOAL: MAXIMIZING PARTICIPATION

WORKSHEET

	Staff Responsible	Completed By

- Develop information resources for employees:

_____

_____

_____

_____

- Promotion Plan:

_____

_____

_____

_____

_____

_____

_____

IMPLEMENTATION: HELPFUL HINTS

Surveys as a Design Instrument

A question for anyone advocating a V-Time program for a specific work place is, how many and which employees might be interested in a reduced work time option? A survey of all employees to determine their interest in V-Time can provide a base of information from which to make administrative and program decisions. (A model survey is included as Attachment 10.)

Initiation of Program

When initiating a V-Time program you may wish to begin with a six- or 12-month experimental or pilot phase after which the program can be evaluated and a determination made to continue, revise or terminate it.

The California State Employment Development Department, for example, initiated a six-month pilot program and conducted a formal evaluation when it ended. The department subsequently decided to make the program permanent. Similarly, San Mateo County began its program on an experimental basis, requiring that the county Board of Supervisors reauthorize the program annually until it, too, was made a permanent program upon recommendation of the county executive.

Santa Clara County's program, on the other hand, was negotiated into the union contract from the beginning. Therefore, any decision to modify or terminate the plan could only be made jointly by union and management renegotiating the contract.

Program Administration

The first step is to put someone in charge to oversee the promotion campaign, application process, recordkeeping and other program facets.

Most of the program time demands are at the front end. One employer estimated it took 62 hours to plan the program and advise employees about it. Once it was ongoing, much less time was required. For example, Dan Garrett, staff service manager with the California Department of Real Estate, estimated that he spent about an hour per month on the program.

A method of handling payroll and timekeeping for employees on V-Time must be developed. Computerization of these functions has eliminated much of the complexity from this process.

Two early county programs described in the case studies decided to handle payroll in an unusual way to simplify bookkeeping. Their V-Time employees remained on the books as full-time employees despite their cutbacks. While on the program, their salary was adjusted downward in proportion to their time reduction. For example, a staff clerk who opted for a 10% reduction and who had been paid $7.83 an hour under the plan received $7.05 per hour. The reduced rate of pay would be applied to all hours worked during the program as well as to all paid time off, such as vacation, sick leave, holidays. As a result, none of the benefits that might be affected by the number of hours worked is affected.

Program Evaluation

Few V-Time programs have conducted formal evaluations. Most maintain records on the number of participants and the salary savings. Additionally, they report the employees seem to like the program, so they renew the program from year to year and eventually many institute V-Time as a permanent part of their personnel policies.

The Employment Development Department is the only employer we know of that conducted a formal survey to evaluate its V-Time program. Both supervisors and participating employees reported positive results from the program. According to Bonnie Graybill, Assistant Chief of Personnel Programs Division, the only problems the evaluation uncovered were some minor difficulties in timekeeping, which were changed as a result. (See Attachment 11 for questionnaires used by EDD.)

GOAL: FINETUNING IMPLEMENTATION

SAMPLE

	Staff Responsible	Completed By
■ **Employee Interest Survey:**		
Decided not to conduct survey at this time.		
■ **Administrative Start-Up:**		
Designate Program Director	NM	9/15
Design payroll and time keeping processes	SS	10/15
■ **Evaluation:**		
Design evaluation form for supervisors and for employees enrolled in program	BM	6/1
Distribute form	NM/BM	6/15
Tabulate form	BM	7/15
■ **Other:**		
Make changes in policy and procedures as per evaluation suggestions.		

GOAL: FINETUNING IMPLEMENTATION

WORKSHEET

	Staff Responsible	Completed By
■ **Employee Interest Survey**		
_____		
_____		
_____		
_____		
■ **Administrative Start-Up**		
_____		
_____		
_____		
_____		
_____		
■ **Evaluation**		
_____		
_____		
_____		
_____		
■ **Other:**		
_____		
_____		
_____		

ATTACHMENT 1
Model A

State of California

Memorandum

To : Department Directors
Agency Secretaries

Date : February 8, 1982

Subject: Exchange of Compensation for Time Off

From : Governor's Office

Given the budget reductions in both the current year (2%) and the budget year (5%), I am strongly recommending that we take steps to increase utilization of options which will allow the voluntary exchange by employees of compensation for time off.

On January 1, 1981, the Reduced Worktime Act became effective. The Reduced Worktime Act makes it the policy of the State to offer voluntary reduced worktime to employees where feasible, whether or not a personnel reduction is contemplated. (Under a 1979 law signed by Governor Brown, the option must be offered in any situation where a 1% or more reduction in full-time positions occurs.)

It is important to note that all options under consideration would be totally voluntary on the employee's part, and that management would retain the discretion to deny a request to exchange compensation for time off if there are good business reasons for such denial.

The Department of Personnel Administration has developed proposed rules for implementation of reduced worktime.

For your information, we are currently reviewing other options for exchange of compensation for time off. If the administrative changes needed to implement these options can be made in a reasonable amount of time and the costs are not prohibitive, then these options will also be offered to employees as soon as they can be implemented.

I am sure you can appreciate the benefits this program offers both the State management team and the State employees. I ask your assistance and cooperation to make it a success.

If you have any concerns or comments, please do not hesitate to call Marty Morgenstern, Director of the Department of Personnel Administration.

B. T. COLLINS
Governor's Executive Secretary
& Chief of Staff

ATTACHMENT 1
Model B

STATE OF NEW YORK
GOVERNOR'S OFFICE OF EMPLOYEE RELATIONS
AGENCY BUILDING NO. 2
ALBANY, NEW YORK 12223

THOMAS F. HARTNETT
DIRECTOR

JAMES B. NORTHROP
EXECUTIVE DEPUTY DIRECTOR
JOSEPH H. BRESS
GENERAL COUNSEL

MEMORANDUM

April 9, 1984

OER-84-5

TO: STATE DEPARTMENTS AND AGENCIES

FROM: Thomas F. Hartnett TFH

SUBJECT: Voluntary Furlough Program

At present the Voluntary Reduction in Work Schedule (VRWS) program is available only to employees represented by the Public Employees Federation in the PS&T unit and to Management/Confidential employees, and shall be effective for the period April 1, 1984 through March 31, 1986.

This program is intended to provide flexible work options to employees and flexible approaches to meeting operational needs by State agencies.

This program will permit employees to opt for reduced work schedules, with corresponding reductions in wages paid, with great latitude available to employees and management to tailor the reduced work schedules to the personal needs and interests of employees and subject to the operating needs of the agencies. The program as drafted has been enthusiastically endorsed by a number of sources, including the Council on Children and Families, as a progressive pro-employee program fully consistent with the philosophy and objectives set forth in Executive Order 68 on alternative work schedules. The Governor is also fully supporting the use of this program as a means of responding to employee needs, particularly those of women in the work force, and also as a means of permitting agencies maximum flexibility in the utilization of staff resources.

The Division of the Budget has announced 1984-85 personnel targets in terms of full time equivalents (FTE's). Agencies are permitted to replace work hours lost to VRWS reduced schedules by an offsetting number of temporary service part-time or full-time employees, assigned to other, higher priority programs where appropriate, so long as they remain within their ceiling number of FTE's.

Inasmuch as savings from the M/C VRWS program are intended to offset, in part, the cost of exempt class Managerial/Confidential salary increases, agency heads will be required to exercise discretion in filling behind M/C employees on leave.

It is the responsibility of each agency to publicize this program to its employees and take appropriate steps to encourage employee participation. To assist you in publicizing the VRWS program, we have attached an Employee Packet of descriptive materials including a draft memo to employees, a summary statement of effect on benefits and status, an application form, sample VRWS programs, charts of VR Time earned, and VRWS planning forms. You may need to add material to the memo to employees reflecting your specific agency operations.

The Office of the State Comptroller will issue instructions on the new transaction code to be used to report a VRWS on a PR-75.

The Department of Civil Service will issue Attendance and Leave Guidelines as they relate to the VRWS program.

Agencies are responsible for implementing whatever changes may be necessary in their time records to permit the recording, charging and accounting of "VR Time Credits."

Agencies are also responsible for reporting to the Governor's Office of Employee Relations and the Division of the Budget on VRWS participation. Keep approved application forms on file; they will be needed for reporting purposes. The first report for VRWS participation is due July 1, 1984. Thereafter, reports on VRWS participation begun since the date of the previous report will be due at the end of each quarter of the fiscal year. Instructions and reporting forms will be sent to you.

Local and/or agency issues related to the administration of the VRWS program are appropriate subjects for discussion in local and/or agency level Labor/Management committees.

Any questions you have about this program may be directed to your agency's OER liaison.

Attachments
- VRWS Program Guidelines
- VRWS Employee Packet

cc: Employee Relations Officers

ATTACHMENT 2

%

TIME REDUCTIONS ALLOWED BY PROGRAM

STATE OF CALIFORNIA (EDD AND DORE)	SAN MATEO COUNTY	SANTA CLARA COUNTY	SANTA CLARA COUNTY, PUBLIC HEALTH NURSES
		2.5	2.5
5	5	5	5
			7.5
10	10	10	10
12.5			12.5
15			15
			17.5
20	20	20	20
25			
30			
35			
37.5			
40			
45			
50			

ATTACHMENT 3

VOLUNTARY REDUCED WORK HOURS PROGRAM

APPLICATION-AGREEMENT

(Print clearly or type)

DEPARTMENT _____ NAME OF EMPLOYEE _____

CLASSIFICATION TITLE _____ SOCIAL SECURITY NUMBER _____

PART I / PLAN SELECTION *(Choose one)*

☐ **5% REDUCTION for 104 hours/13 days**

☐ **10% REDUCTION for 208 hours/26 days**

☐ **20% REDUCTION for 416 hours/52 days**

a. I understand the percent reduction in salary will be applied to my hourly rate of pay, to be reflected in my bi-weekly pay warrant, and that all time worked and paid time off will be compensated at the **reduced** hourly rate of pay.

b. I also understand that these hours will be available for my use on June 17, 1984 and must be scheduled and used prior to the program termination date of June 15, 1985. Beginning June 16, 1985, I will revert to my regular hours of work and pay schedule.

c. I further understand that my participation in this program may be terminated prior to the June 15, 1985 termination date due to such reasons as transfer, promotion, resignation or termination, and that any unused portion of my time off acquired from this program will be computed and any necessary pay adjustments will be made.

d. I also agree to reimburse the County of San Mateo for any amounts due, which result from my taking off in excess of accrued time acquired under the program, should my participation in the program be terminated for any reason whatsoever prior to the termination date of the program, and authorize San Mateo County to deduct the full amounts due from my paycheck.

PART II / SCHEDULE SELECTION

With the department's approval, I would prefer to schedule the time acquired from this program as follows:

☐ **SHORTER WORK DAY** ☐ **SHORTER WORK WEEK** ☐ **BLOCK TIME OFF**

MY PREFERRED REDUCED WORK HOURS SCHEDULE IS AS FOLLOWS:

BEST COPY AVAILABLE

ATTACHMENT 4

State of California — Department of Real Estate

GUIDELINES FOR DETERMINING ADMINISTRATIVE FEASIBILITY OF REDUCED WORKTIME REQUESTS

RE 139 (1/83)

1. GENERAL NOTES

State agencies and supervisors are expected to review employee requests for reduced worktime positively and, whenever possible, to work out a schedule that will meet both the Department's and employee's needs. In meeting this requirement, it may be necessary for supervisors to be more flexible in work scheduling than they have been in the past.

If the supervisor decides that a particular reduced work schedule is not administratively feasible, the employee who made the request for reduced worktime should be provided with a written explanation for the decision via the RE 138. Before a proposed schedule is denied, however, all reasonable alternatives for backup coverage or other arrangements should be considered.

2. SERVICE TO PUBLIC / CLIENTS

a. General Coverage

Adequate scheduling and coordination of reduced worktime usually will prevent a significant impact on general service to the public (e.g., public counters, general telephone inquiries, etc.). However, a reduced worktime schedule that resulted in an actual disruption of service to the public or an unacceptable decline in its timeliness or quality would not be administratively feasible if the deficiency otherwise could not be corrected.

b. Special Needs

Reduced worktime may not be feasible where an employee is the sole expert in an area requiring coverage during all normal working hours. The same may be the case where employees work on such an intensive one-to-one basis with special clients that assignment sharing would not be appropriate.

3. ADMINISTRATIVE CONSIDERATIONS

Since reduced worktime employees would normally not all be working at the same time, the broadened supervisory span of control resulting from converting one or more fulltime positions to parttime should not make a reduced worktime schedule unfeasible. However, where a supervisor already has a wide span of control for the type of work supervised, a reduced worktime schedule that resulted in the transfer of new, untrained staff could be unfeasible. However, before ruling out a reduced worktime schedule on this basis, other possibilities for managing the span of control problem within existing supervisory staffing should be fully explored.

4. WORKLOAD CONSIDERATIONS

In work settings where a heavy, active workload must be accomplished, considerations must be given to high priority work and the consequences of the effects of reduced work schedules on output before requests for reduced worktime are granted.

5. WORKLOAD AND OVERTIME

Participants shall not be assigned workload or mandatory overtime that is excessive in comparison to that assigned to other employees performing similar work.

6. ADDITIONAL INFORMATION

If you have questions not covered by these guidelines or the Reduced Worktime Program Facts (RE 140), contact Personnel.

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ATTACHMENT 5

Comparison of V-Time's Effects on Employee Status and Fringe Benefits

As noted earlier, the way employee status and fringe benefits are handled is critical to the way V-Time participants perceive their status as it relates to other workers. This, in turn, affects participation rates. The county programs, for example, differ significantly from the state programs in the way they handle payroll, which affects both fringe benefits and job status. For administrative purposes, San Mateo County keeps their V-Time employees on the payroll as if they were still full time. They compensate for the reduction in time base by artificially assigning employees a lower hourly wage, which is commensurate with their reduction. Thus, any benefit that is determined by hours worked is not affected. For example, county employees on the program accrue seniority the same as if they had continued to work full time, whereas employees of the State of California accrue seniority on a prorated basis.* Below are various employee benefits and how they are affected under the V-Time programs used as Case Histories in this manual.

a) Alternate Range Movement

State of California: Movement is slower as qualifying time is earned based on the reduced time base.
San Mateo County: Because the employee remains on a full time basis, there is no effect.
Santa Clara County DPH: Not available.

* It should be noted that officials of the California State Employees Association are unhappy with prorated accrual. They argue that many employees are participating in the V-Time out of altruistic reasons to save jobs and this seniority accrual penalizes them if the state later lays people off despite V-Time.

b) Health and Dental Benefits

State of California: No impact. All employees working half time or more are entitled to these benefits.
San Mateo County: No impact.
Santa Clare County DPH: No impact.

c) Holidays

State of California: Part-time employees are compensated with the proportionate amount of the day based on their time base. A half time employee would receive four hours compensation for each holiday in the pay period. A 19/20 time employee would receive 7.6 hours compensation for each holiday in the pay period (8 hours x 19/20=7.6 hours).

San Mateo County: There is no effect on accrual of holiday time. Employees are compensated as though they worked full time but at a reduced hourly rate.
Santa Clara County DPH: Same as San Mateo County

d) Disability

State of California: Benefits are based on the reduced salary at the time of illness or injury.
San Mateo County: Based on employee's salary. Reduced salary may lower premiums and benefits derived.
Santa Clara County DPH: Same as San Mateo County

e) Life Insurance

State of California: No impact
San Mateo County: No impact
Santa Clara County: No impact

f) Merit Salary Adjustment

State of California: No impact
San Mateo County: No impact
Santa Clara County: No impact

g) Order of Layoff

State of California: The government code states that "If layoff becomes unavoidable, employees who participate in a voluntary reduced work time program pursuant to this article shall not routinely be subject to layoff ahead of full-time employees. Such part-time employees shall be subject to the same seniority and other layoff considerations as full-time employees in determining the order of layoff." Seniority accrual, however, is prorated. Thus, participants will find themselves at the end of one year of participation with less seniority than full-time colleagues whose seniority previously was the same as theirs.
San Mateo County: No impact
Santa Clara County DPH: No impact.

h) Overtime

State of California: Employees must work more than 40 hours in one workweek to qualify for overtime pay. Time off under reduced work time does not count toward the 40 hours.
San Mateo County: Same, with the exception that overtime is compensated at one and one-half times the reduced hourly rate.
Santa Clara County PHN: Same as Santa Clara County.

i) Probationary Period

State of California: No impact
San Mateo County: No impact
Santa Clara County PHN: No impact

j) Promotional Opportunities

State of California: Qualifying experience is prorated; otherwise no impact.
San Mateo County: No impact
Santa Clara County PHN: No impact

k) Retirement Benefits

State of California: Employees who are members of the Public Employee Retirement System continue to be eligible. Their benefits are based on (1) contributions - V-Time participants will contribute less because the formula is a percentage of the monthly salary; (2) the full time equivalent salary of the last three years of employment or any consecutive three-year period that the employee chooses (for V-Time participants the gross salary will be calculated as though they had worked full-time); (3) service credit (V-Time participants receive either full service credit or a slightly decreased amount of credit.)

The precise method of determining service credit is as follows:

A full-time employee earns .1 of one credit per qualifying pay period up to one credit per year. A reduced work time employee who works the equivalent of ten qualifying pay periods per year would continue to receive full retirement credit. (Although the state does not have a time base of 10/12, this applies to time bases of 17/20, 9/10, or 19/20 - i.e., pay reductions up to 15% percent.) Greater time base reductions will have a negligible effect on retirement credit. (For example, 8/10 time base earns .96 retirement service credit per year.) The months selected for a V-Time agreement may lessen the impact on service credit because it is calculated on the basis of service rendered in a state fiscal year. For example, a reduced work time employee who works half-time on a V-Time agreement from 4/82 through 9/82 would receive full retirement credits for both fiscal years. If the agreement period were from 6/82 through 11/82, the employee would receive full credit for the first year and .95 retirement service credit for the second.

The net effect of the above is that benefits will be somewhat less for V-Time participants.

San Mateo County: Retirement is based on the average monthly salary for the last or highest paid 12 months of county service. If an employee signs up for reduced hours of employment, the employee's retirement deduction will be based on the reduced hours at the present (unadjusted) hourly rate of pay, and retirement credit will be based on actual hours worked. This has the net effect of reducing service time credit in the Retirement System.
Santa Clara County: Members of the Public Employees

Retirement System. Same as the State of California.

l) Seniority and Service Credit

State of California: Based on hours actually worked. An employee taking a 20% reduction would earn .8 of one year of service credit for the year he/she participated in the program.
San Mateo County: All employees on the program, regardless of the reduction, continue to receive one year of service credit for each 12 months they are county employees.
Santa Clara County PHN: Same as San Mateo County.

m) Sick Leave

State of California: Sick leave is credited on a prorated basis on the first day of the monthly pay period following completion of a qualifying month. For example, a half-time employee receives four hours sick leave credit each month; a 19/20 employee receives 7.6 hours each month (8 hours X 19/20=7.6).
San Mateo County: Amount of sick leave earned is the same as if the individual were working full time. Compensation is based on the employee's adjusted hourly rate.
Santa Clara County PHN: Same as San Mateo County.

n) Vacation

State of California: Credits are earned on a prorata basis. Same as service credit.
San Mateo County: Same as sick leave.
Santa Clara County PHN: Same as San Mateo County.

o) Workers Compensation

State of California: No impact
San Mateo County: No impact
Santa Clara County PHN: No impact

ATTACHMENT 6

EXAMPLE OF EFFECT OF REDUCED WORK TIME ON PAY

ASSOCIATE ANALYST LEVEL

TOP STEP, GROSS SALARY $2,501

	Married, two exemptions					Single, one exemption				
	Full time	Percent reduction				Full time	Percent reduction			
		5%	10%	15%	20%		5%	10%	15%	20%
Decrease in net pay		4%	7.5%	11.5%	15.5%		3.5%	7%	10.5%	14%
Gross pay	2,501.00	2,375.95	2,250.90	2,125.85	2,000.80	2,501.00	2,375.95	2,250.90	2,125.85	2,000.80
Net pay	1,697.10	1,633.00	1,568.83	1,504.58	1,432.47	1,454.62	1,404.24	1,353.82	1,303.45	1,252.54
Withholding:										
Federal tax	466.19	427.37	388.62	349.84	317.29	624.20	577.92	531.67	485.39	439.14
State tax	70.74	63.24	55.74	48.36	42.11	155.21	141.45	127.70	113.94	100.19
Social Security	167.57	159.19	150.81	142.43	134.54	167.57	159.19	150.81	142.43	134.54
Retirement	99.40	93.15	86.90	80.64	74.39	99.40	93.15	86.90	80.64	74.39

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ATTACHMENT 7

State of California — Department of Real Estate

REDUCED WORKTIME PROGRAM FACTS

RE 140 (1/83)

SECTION I OVERVIEW

The Reduced Worktime Program (RWT) is a permanent on-going program available to all employees. Its purpose is to:

- provide personnel cost savings without layoffs
- promote employee retention
- provide job enrichment by allowing employees to arrange a work schedule more suitable to the needs of family, school, etc.

The program allows an employee to reduce the amount of time worked in exchange for a proportional reduction in pay, if the reduced time is administratively feasible. (There are a number of details and considerations to take into account when deciding whether a RWT schedule is right for you. The following sections should answer most of your questions. Contact the Personnel Office for further information, forms, etc.)

REGULAR VS. IRREGULAR RWT SCHEDULES. Below is a description of the two major types of schedules.

REGULAR RWT is characterized by a fractional time base; i.e., your gross pay is reduced by a fixed percentage, and this percentage reduction is applied against the accrual of sick leave and vacation hours.

Regular RWT may be allowed within these general guidelines:

1. The RWT agreement must be in effect for a minimum of 6 months and a maximum of 12 months.

2. The total amount of time off must be a minimum of 6 days on an annualized basis (39/40 or 97.5%).

3. Excess time accrued must not exceed 16 hours at the end of any pay period. Hours in excess of this limit must be liquidated during the pay period following their accrual. (This guideline does not apply to Supplemental Time Off.)

4. Short hours (or negative excess time) should not normally be accumulated unless the employee has sufficient time accrued from prior pay periods to cover the shortage.

5. Time off may not be taken until earned; e.g., assume an employee starts at 9/10 time base (2 days off per month) and plans to take off 4 days the first month and no days off the second month. This would be unacceptable because he "earns" only 2 days off the first month.

6. Upon completion of the term of a RWT agreement, the employee shall be returned to full-time employment unless the employee and appointing power mutually agree to begin a new term.

Regular RWT can be used for the following types of schedules:

1. A set schedule of hours, days or weeks off; e.g., every Friday off, or the first week of every month off, etc.

2. A variable schedule of days off; e.g., two days off every month, the specific days to be taken are not declared. Depending on work conditions and supervisor approval, the two days may be taken off the first and fourth week of the month, both in one week, etc. Any such variable schedule may be used so long as the requestor and the supervisor agree.

   If it is impossible, due to workload conditions, to take the time off, the unused hours may be accumulated as excess hours for use in the future, within the 16 hour limit described above.

   All variable schedules must be expressed in hours, days or weeks per month.

3. Supplemental Time Off (STO), under STO the employee would continue to work full-time but at reduced pay (through placement on a fractional time base).

   Hours worked in excess of those required by fractional time base would accumulate to be taken off later as paid time off for an extended period or periods of time.

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STO shall be used for extended time off only and shall be taken in blocks of consecutive days, no more than twice during the 12 months following the beginning of the STO fractional time base. The requestor must state the specific time or times that the supplemental time off shall be used.

Time off shall be credited on the first day of the pay period following the pay period in which it has been earned, except for the final month of participation when the employee shall be credited with the supplemental time off on the first day of the same period which it is earned.

The STO term must be such that a block of time (either the entire leave or second of 2 blocks of time off) is to be taken off during the final pay period of the term.

All supplemental time off shall be used as agreed. If, for some extraordinary reason, supplemental time off cannot be used during the term of the agreement, then the employee shall be credited with an equivalent amount of compensating time off.

IRREGULAR RWT is characterized by a one-time reduction in pay corresponding and usually concurrent with the actual time taken off.

Here is a description of the two types of irregular RWT schedules:

1. A lump sum of continuous time off (leave of absence); i.e., a week off or a month off with all days off on a consective basis. Such lump sum absences would be allowed only twice in any 12-month period and they must be for a minimum of 5 working days.

2. Occasional days off to a maximum of 5 in any 12-month period. These days off could be taken one at a time throughout the 12 months or in any combination. This time off will be processed via "dock" notice.

Irregular RWT may be taken any time after approval of the RWT agreement by the Personnel Office.

Irregular time off is different from normal dock in that the participant need not have exhausted vacation hours in order to use it.

Normal dock may not be used unless the participant has exhausted vacation, sick leave and/or irregular worktime.

Time taken off on irregular RWT does not affect accrual of vacation or sick leave unless there is a non-qualifying pay period.

SECTION II COMMON QUESTIONS AND THEIR ANSWERS

NOTE: The following is a question/answer section that amplifies some of the details of RWT.

Q. How can Excess and Negative hours be accrued under RWT?

A. When you are on a fractional time base, you not only "buy" a certain number of hours off, but you also should "earn" a certain number of hours on the job or on paid absence. When either the hours taken off or the number of hours paid are not in balance, excess or negative time will accrue.

Example:

If you are in a .8 time base, you would "buy" a total of 35.2 hours off in a 22-day period. At the same time, you should be on the job (or on paid leave) for a total of 140.8 hours.

22 days x 8 hours = 176 hours

176 hours x .8 = 140.8 hours (the number of hours you are paid for)

176 hours x .2 = 35.2 hours (the number of hours you have "bought")

NOTE: See tables on Page 8.

The following two questions deal with this in greater detail.

Q. How do I accrue excess time on a RWT schedule?

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A. Let's assume you are on a .8 fractional time base and a schedule whereby you take off 1 day a week. The Controller's Office only allows a certain range of fractional time bases. In this case, 4/5 is used (4 days of work out of 5). This would be perfect if there were only 4 weeks (20 days) in the pay period; however, there are always 21 or 22 days in a pay period. Therefore, you are not being paid in full for the odd one or two "extra" days in each pay period.

This discrepancy is accounted for by accruing excess time.

Example:

In a 22-day pay period, you are paid for 140.8 hours (22 days x 8 hours x .8 = 140.8). In reality, you worked 144 hours (22 days - 4 days off = 18 days or 144 hours). Therefore, you will accrue 3.2 hours as excess time (144.0 - 140.8 = 3.2).

This excess time can be used to offset those months when negative hours are accrued (see below).

Q. How do I accumulate short hours or negative time on a RWT schedule?

A. Let's assume you are on a set schedule of every Friday off and a fractional time base of .8 (4/5). For most pay periods, this will allow the employee to accrue a small amount of excess time (see above).

However, if the pay period has 5 Fridays in it, negative hours will ensue. In a 22-day pay period, you are expected to work 140.8 hours (22 x 8 x .8 = 140.8). In a 5-Friday pay period, you will work only 136 hours (22 - 5 = 17 x 8 = 136), thereby accruing minus 4.8 hours.

140.8 = Hours that you are paid for
136.0 = Actual hours worked

4.8 = Shortage

You might also accumulate short hours during a pay period when there is more than one holiday or you use your Personal Holiday.

Example:

Assume you are on a set schedule of every Tuesday off. During the September pay period, you use your Personal Holiday on Thursday, September 8. September 5 and 9 are state holidays. The two state holidays and the Personal Holiday are credited at 6.4 hours each (.8 x 8 hours = 6.4 hours holiday credit). You were actually on the job 120 hours and will receive holiday credits of 19.2 hours (3 x 6.4 = 19.2) for a total of 139.2 hours. In a 22-day pay period, you are paid for 140.8 hours. Therefore, for September, you will accrue minus 1.6 hours.

176	hours	(22 days)
- 32	hours	(4 Tuesdays)
- 12.8	hours	(2 state holidays)
- 6.4	hours	(1 personal holiday)
139.2	hours	earned

140.8 = Hours you are paid for
139.2 = Hours you actually earned
1.6 = Shortage

Q. What is a non-qualifying pay period?

A. Under State Personnel Board rules, a full-time employee must earn and be paid for a minimum of 11 days during a pay period in order to qualify for vacation, sick leave and seniority credits. If this minimum amount of time is earned, then the pay period is a qualifying pay period.

If the employee does not earn the minimum time, then there is a non-qualifying pay period and no sick leave, vacation or seniority credits are credited.

Q. How do qualifying pay periods work when you are on RWT?

A. An RWT employee, on a fractional time base, must earn the fractional equivalent of the 11 day minimum. For example, if you are on .9 time base, you must earn a minimum 9.9 days or 79.2 hours in order to have a qualifying pay period.

Q. How do I earn time for a qualifying pay period?

A. You earn hours for a qualifying pay period by:

a. Being on the job (hour for hour)
b. Vacation hours (hour for hour)
c. Holiday hours (hours prorated by fractional time base)

Q. I want to take off more than 11 consecutive working days on leave; can I avoid a non-qualifying pay period if I split the days off between two pay periods?

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A. No. SPB rules specify that in such circumstances, one or the other pay periods must be shown as non-qualifying.

Q. If I were absent on unpaid leave for 10 consecutive days and I wanted an additional 2 days off, could I avoid a non-qualifying pay period by charging 2 additional days to vacation or sick leave?

A. No. You must physically return to work in order to avoid a non-qualifying pay period. In this circumstance, a period of unpaid leave or dock can only be ended by being at work, not by the use of leave credits.

Q. What happens if I change jobs?

A. A reassignment within the Department may require termination of your RWT agreement if it is determined to be unfeasible at your new job.

Q. What is the criteria for approving a request for RWT?

A. The basic criteria is administrative feasibility by your supervisor(s). In considering a request, the supervisor must take into account whether the proposed absence time would cause unsurmountable coverage problems, loss of the sole expert, delays in turn-around time, deterioration of level of service, etc. At the same time, the supervisor is mandated by the enabling legislation to be reasonable in trying to make arrangements in order to approve the request.

SECTION III EMPLOYEE STATUS AND BENEFIT INFORMATION

EMPLOYEE'S STATUS AND REINSTATEMENT TO FULL-TIME

When full-time employees voluntarily reduce their work time to less than full-time, it is a time base change which does not affect the employee's probationary or other status. However, another transaction is necessary to return to full-time employment.

Government Code 18034(d) states that employees participating in a voluntary reduced work time program "shall, upon request, be given first priority for returning to a full-time schedule to the extent that such full-time work is available". If full-time work is not available, you must remain in the reduced time base.

ORDER OF LAYOFF

Government Code 18034(e) states: "If layoff becomes unavoidable, employees who participate in a voluntary reduced work time program pursuant to this article shall not routinely be subject to layoff ahead of full-time employees. Such part-time employees shall be subject to the same seniority and other layoff considerations as full-time employees in determining the order of layoff."

MONTHLY SALARY

Salaries shall be the corresponding proportion of a full-time monthly rate for the employee's classification; for example, a full-time employee earning a gross salary of $1,000 a month would earn $500 a month as a half-time employee.

VACATION

Upon completion of six qualifying months of service, the less than full-time employee receives one month credit for vacation on the first day of the monthly pay period following accumulated service equal to one qualifying monthly pay period of full-time service; for example, a participant going on a .5 fractional time base who would normally earn 10 hours of vacation per month would be credited with no vacation hours until the completion of 2 (1/2 time) months of reduced worktime. Such a participant is not credited with 5 hours of vacation each month.

This method of accruing vacation is different from sick leave credits (see below).

SICK LEAVE

Sick leave is credited on a prorated basis on the first day of the monthly pay period following completion of a qualifying month; for example, a half-time employee receives four hours sick leave credit each month; a 6/8-time employee receives six hours each month (eight hours x 6/8 = six hours).

HOLIDAYS (INCLUDES PERSONAL HOLIDAY)

Part-time employees are compensated with the proportionate amount of the day based on their time base; for example, a half-time employee would receive four hours compensation for each holiday in the pay period. A 6/8-time employee would receive six hours compensation for each holiday in the pay period.

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HEALTH AND DENTAL BENEFITS

Employees working half-time or more will be entitled to the same health and dental benefits as they did when working full-time. EMPLOYEES WORKING LESS THAN HALF-TIME ARE NOT ELIGIBLE TO RECEIVE HEALTH OR DENTAL CARE BENEFITS.

RETIREMENT BENEFITS

Employees who are members of the Public Employees' Retirement System (PERS) and who continue working at less than full-time are eligible for retirement benefits as members in PERS. In most cases, employees under the Retirement System pay five percent of their total monthly salary in excess of $513 per month; however, the type of retirement membership dictates the amount of retirement contribution.

NOTE to employees within three years of retirement:

Retirement benefits are based on the gross annual salary of the last three years of employment or any consecutive three-year period which the employee chooses. For employees working less than full-time, the gross salary will be calculated as if they had worked full-time; however, the service credit will be determined in direct proportion to the time worked.

LIFE INSURANCE

The life insurance benefit is provided to employees who are members of PERS. Employees must work half-time or more to be eligible to receive this benefit. A portion of this benefit is based on 50 percent of earnable pay for a 12-month period prior to death and would, therefore, be reduced by the amount of the time base reduction.

INDUSTRIAL DISABILITY LEAVE (IDL)

Full-time employees and part-time employees are eligible for this benefit; they must be members of PERS.

WORKERS' COMPENSATION (Temporary Disability)

This is available for those employees who do not qualify for Industrial Disability Leave, or choose this benefit in lieu of IDL.

NONINDUSTRIAL DISABILITY INSURANCE (NDI)

An employee must be a retirement member, and have completed the equivalent of six monthly compensated pay periods of service, and must meet other eligibility requirements.

PROMOTIONAL OPPORTUNITIES

Employees working less than full-time may compete in promotional examinations for which they qualify. However, requirements for examination are based on full-time experience. For example, a 3/4-time employee would have to work one year and four months to gain one year of qualifying experience. Employees should be aware that if they limit themselves in the examinations to part-time eligibility, they <u>may</u> be limiting their promotional opportunities.

MERIT AND SPECIAL IN-GRADE ADJUSTMENTS (MSA, SISA)

A Merit Salary Adjustment (MSA) is a one-salary step increase after 12 qualifying months. A Special In-Grade Salary Adjustment (SISA) is a one-salary step increase after six qualifying months in certain designated classes. A less than full-time employee will receive a prorated amount of their MSA or SISA on the first day of the monthly pay period following completion of the required six or 12 qualifying months of service; for example, a less than full-time employee hired January 1 may receive an SISA on July 1. A less than full-time employee who is not eligible for a SISA could receive an MSA on January 1 of the following year.

STATE SERVICE CREDITS

Less than full-time service is accumulated until it equals one month of full-time service; for example, for a half-time employee, two qualifying months of work equals one month of full-time service; for an employee working one-eighth time, eight qualifying months of work equals one month of full-time service. Service credits determine such things as the rate at which vacation is earned, retirement eligibility, etc.

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OVERTIME

Premium pay for overtime is not earned until more than 40 hours is worked in a week even though the employee may exceed his/her regularly scheduled work week.

MANAGEMENT'S RIGHT TO TERMINATE REDUCED WORKTIME

Management approves an employee's request for reduced worktime if it is administratively feasible at the time. Changes in workload, staffing level, or other factors during the term of the EWT agreement may make it unfeasible to continue to allow the EWT schedule. In such cases, the Department will give written notice of termination of the agreement 30 days prior to the effective date of the return to full-time work.

TABLES

1	2	3	4	5	6	7	8	9
IF YOU TAKE OFF	YOUR GROSS PAY WILL BE REDUCED BY PERCENT	YOUR FRACTIONAL TIME BASE WILL BE	YOU WILL "BUY" THIS NUMBER OF HRS. OFF: 21 DAY PP	22 DAY PP	YOU SHOULD "EARN"* THIS MANY HRS. SO AS NOT TO ACCRUE "NEGATIVE" HOURS: 21 DAY PP	22 DAY PP	HOLIDAYS ARE COUNTED AS THIS MANY HOURS	YOU WILL ACCRUE THIS MANY SICK LEAVE HOURS
10 Days/Mo	50%	1/2	84	88	84	88	4	4
9 Days/Mo	45%	11/20	75.6	79.2	92.4	96.8	4.4	4.4
8 Days/Mo	40%	3/5	67.2	70.4	100.8	105.6	4.8	4.8
7 Days/Mo	35%	13/20	58.8	61.6	109.2	114.4	5.2	5.2
6 Days/Mo	30%	7/10	50.4	52.8	117.6	123.2	5.6	5.6
5 Days/Mo	25%	3/4	42	44	126	132	6	6
4 Days/Mo	20%	4/5	33.6	35.2	134.4	140.8	6.4	6.4
3 Days/Mo	15%	17/20	25.2	26.4	142.8	149.6	6.8	6.8
2 Days/Mo	10%	9/10	16.8	17.6	151.2	158.4	7.2	7.2
1 Day/Mo	5%	19/20	8.4	8.8	159.6	167.2	7.6	7.6
1/2 Day/Mo	2.5%	39/40	4.2	4.4	163.8	171.6	7.8	7.8

*You "earn" hours by being at work, using leave credits, and by prorated paid holiday hours.

Holiday hours are counted at the rate of your fractional time base (see Column 8).

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ATTACHMENT 8

Mandatory Payroll Deduction Worksheet

Employees considering reducing their time base may use this worksheet for computing mandatory deductions (State and Federal Withholding Taxes, Social Security and Retirement) to determine their prospective net monthly salary at the reduced time base.

For easy reference in calculating your deductions, an example showing the mandatory deductions for a married employee with two exemptions and a monthly salary for $1,235.00 is provided.

1. SALARY COMPUTATION

Example: $1,235.00 (Full-time monthly salary rate) X 85% (% of time to be worked) = $1,049.75 (Reduced monthly salary)

$ _____ (Full-time monthly salary rate) X _____ (% of time to be worked) = $ _____ (Reduced monthly salary)

---

2. SOCIAL SECURITY CONTRIBUTION (omit this step if you are not a member of Social Security System)

Example: $1,049.75 (Monthly salary) X 6.70% (Social Security contribution rate) = $70.33 (Monthly Social Security contribution)

$ _____ (Monthly salary) X 6.70% (Social Security contribution rate) = $ _____ (Monthly Social Security contribution)

---

3. RETIREMENT CONTRIBUTION (PERS)

If you have Social Security:

Example: $1,049.75 (Monthly salary) - $513.00 = $536.75 X 5% = $26.83 (Monthly retirement contribution)

$ _____ (Monthly salary) - $513.00 = $ _____ X 5% = $ _____ (Monthly retirement contribution)

If you do not have Social Security:

$1,049.75 (Monthly salary) - $317.00 = $732.75 X 6% = $43.97 (Monthly retirement contribution)

$ _____ (Monthly salary) - $317.00 = $ _____ X 6% = $ _____ (Monthly retirement contribution)

---

4. WITHHOLDING TAXES - Your annual salary and annual gross may be applied to both Federal and State Withholding Calculations (Sections A and B which follow). If you are considering changing your number of exemptions when changing to a reduced time base, remember to reflect the change as you work out your withholding.

NOTE: Example computed for married person with two exemptions

Step 1

Example: $ 1,049.75 (Monthly salary) X 12 months = $12,597.00(A) (Annual salary)

$ _____ (Monthly salary) X 12 months = $ _____ (A) (Annual salary)

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Step 2

Example: $12,597.00(A) (Annual salary) − $ 0 (Annual amount deducted for deferred compensation) = $12,597.00(B) (Annual gross)

$ (A) (Annual salary) − $ (Annual amount deducted for deferred compensation) = $ (B) (Annual gross)

A. FEDERAL WITHHOLDING TAX

Step 1

Example: 2 (No. exemptions) X $1,000.00 = $2,000.00(C)

(No. exemptions) X $ = $ (C)

Step 2

Example: $12,597.00(B) (Annual gross) − $2,000.00(C) = $10,597.00(D) (Taxable wages)

$ (B) (Annual gross) − $ (C) = $ (D) (Taxable wages)

Step 3 Circle the numbers which apply to you in Table A, use them to fill in blanks for Steps 4 and 5.

TABLE A

SINGLE OR HEAD OF HOUSEHOLD

Taxable Wages		Amount of Tax				
Not Over $1,420.00		0				
Over	Not Over	(Col. 1)		(Col. 2)		(Col. 3)
$ 1,420.00	$ 3,910.00	0.00	plus	14%	of excess over	$ 1,420.00
$ 3,910.00	$ 5,200.00	$ 348.60	plus	16%	of excess over	$ 3,910.00
$ 5,200.00	$ 9,400.00	$ 555.00	plus	19%	of excess over	$ 5,200.00
$ 9,400.00	$14,000.00	$1,353.00	plus	24%	of excess over	$ 9,400.00
$14,000.00	$17,200.00	$2,457.00	plus	29%	of excess over	$14,000.00
$17,200.00	$22,500.00	$3,385.00	plus	32%	of excess over	$17,200.00
$22,500.00	.....	$5,081.00	plus	37%	of excess over	$22,500.00

MARRIED

Taxable Wages		Amount of Tax				
Not Over $2,400.00		0				
Over	Not Over	(Col. 1)		(Col. 2)		(Col. 3)
$ 2,400.00	$ 7,650.00	0.00	plus	14%	of excess over	$ 2,400.00
$ 7,650.00	$10,900.00	$ 735.00	plus	16%	of excess over	$ 7,650.00
$10,900.00	$15,400.00	$1,255.00	plus	20%	of excess over	$10,900.00
$15,400.00	$23,250.00	$2,155.00	plus	25%	of excess over	$15,400.00
$23,250.00	$28,900.00	$4,117.50	plus	31%	of excess over	$23,250.00
$28,900.00	$34,200.00	$5,869.00	plus	34%	of excess over	$28,900.00
$34,200.00	.....	$7,671.00	plus	37%	of excess over	$34,200.00

Step 4

Example: $10,597.00(D) (Taxable wages) − $7,650.00 (Col. 3, Table A) = $2,947.00 X 16% (Col. 2, Table A) = $471.52(E)

$ (D) (Taxable wages) − $ (Col. 3, Table A) = $ X % (Col. 2, Table A) = $ (E)

Step 3
Example: $471.52(E) + $735.00 (Col. 1, Table A) = $1,206.52(F) Annual tax

$ (E) + $ (Col. 1, Table A) = $ (F) Annual tax

Step 6
Example: $1,206.52(F) Annual tax ÷ 12 months = $100.54 Monthly tax

$ (F) Annual tax ÷ 12 months = $ Monthly tax

B. STATE WITHHOLDING TAX

Step 1 IF ANNUAL GROSS (SEE #4 WITHHOLDING TAXES, STEP 2 (B)) IS LESS THAN OR EQUAL TO AMOUNT SHOWN IN TABLE B, NO TAX IS REQUIRED TO BE WITHHELD.

IF ANNUAL GROSS IS GREATER THAN AMOUNT IN TABLE B, PROCEED TO STEP 2.

TABLE B

LOW INCOME EXEMPTION TABLE

SINGLE	MARRIED		HEAD OF HOUSEHOLD
	"0" or "1" exemption	"2" or more exemptions	
$5,000.00	$5,000.00	$10,000.00	$10,000.00

Step 2 Find your Standard Deduction in Table C.

TABLE C

STANDARD DEDUCTION TABLE

SINGLE	MARRIED		HEAD OF HOUSEHOLD
	"0" or "1" exemption	"2" or more exemptions	
$1,400.00	$1,400.00	$2,800.00	$2,800.00

Step 3
Example: $12,597.00(B) Annual gross - $2,800 Standard deduction per Table C = $9,797.00(C) Taxable wages

$ (B) Annual gross - $ Standard deduction per Table C = $ (C) Taxable wages

Step 4 Circle the numbers which apply to you in Table D; then use them to fill in the blanks on Step 5.

B. STATE WITHHOLDING TAX (continued)

TABLE D

MARRIED

If the taxable wages are... Over	But Not Over	Computed tax is... (Col. 1)		(Col. 2)		(Col. 3)
$ 0	$ 5,700	$ 0.00	plus	1%	of amount over	$ 0
$ 5,700	$ 9,980	$ 57.00	plus	2%	of amount over	$ 5,700
$ 9,980	$14,260	$ 142.60	plus	3%	of amount over	$ 9,980
$14,260	$18,580	$ 271.00	plus	4%	of amount over	$14,260
$18,580	$22,860	$ 443.80	plus	5%	of amount over	$18,580
$22,860	$27,160	$ 657.80	plus	6%	of amount over	$22,860
$27,160	$31,420	$ 915.80	plus	7%	of amount over	$27,160
$31,420	$35,720	$1,214.00	plus	8%	of amount over	$31,420
$35,720	$40,000	$1,558.00	plus	9%	of amount over	$35,720
$40,000	$44,280	$1,943.20	plus	10%	of amount over	$40,000
$44,280	and over...	$2,371.20	plus	11%	of amount over	$44,280

SINGLE

If the taxable wages are... Over	But Not Over	Computed tax is... (Col. 1)		(Col. 2)		(Col. 3)
$ 0	$ 2,850	$ 0.00	plus	1%	of amount over	$ 0
$ 2,850	$ 4,990	$ 28.50	plus	2%	of amount over	$ 2,850
$ 4,990	$ 7,130	$ 71.30	plus	3%	of amount over	$ 4,990
$ 7,130	$ 9,290	$ 135.50	plus	4%	of amount over	$ 7,130
$ 9,290	$11,430	$ 221.90	plus	5%	of amount over	$ 9,290
$11,430	$13,580	$ 328.90	plus	6%	of amount over	$11,430
$13,580	$15,710	$ 457.90	plus	7%	of amount over	$13,580
$15,710	$17,860	$ 607.00	plus	8%	of amount over	$15,710
$17,860	$20,000	$ 779.00	plus	9%	of amount over	$17,860
$20,000	$22,140	$ 971.60	plus	10%	of amount over	$20,000
$22,140	and over...	$1,185.60	plus	11%	of amount over	$22,140

UNMARRIED HEAD OF HOUSEHOLD

If the taxable wages are... Over	But Not Over	Computed tax is... (Col. 1)		(Col. 2)		(Col. 3)
$ 0	$ 5,720	$ 0.00	plus	1%	of amount over	$ 0
$ 5,720	$ 8,560	$ 57.20	plus	2%	of amount over	$ 5,720
$ 8,560	$10,710	$ 114.00	plus	3%	of amount over	$ 8,560
$10,710	$12,850	$ 178.50	plus	4%	of amount over	$10,710
$12,850	$15,000	$ 264.10	plus	5%	of amount over	$12,850
$15,000	$17,150	$ 371.60	plus	6%	of amount over	$15,000
$17,150	$19,280	$ 500.60	plus	7%	of amount over	$17,150
$19,280	$21,420	$ 649.70	plus	8%	of amount over	$19,280
$21,420	$23,570	$ 820.90	plus	9%	of amount over	$21,420
$23,570	$25,710	$1,014.40	plus	10%	of amount over	$23,570
$25,710	and over...	$1,228.40	plus	11%	of amount over	$25,710

Step 5

Example: $9,797.00(C) (Taxable wages) − $5,700.00 (Col. 3, Table D) = $4,097.00(D) X 2% (Col. 2, Table D) = $81.94 + $57.00 (Col. 1, Table D) = $138.94(E)

$ (C) (Taxable wages) − $ (Col. 3, Table D) = $ (D) X % (Col. 2, Table D) = $ + $ (Col. 1, Table D) = $ (E)

Step 6 Circle your Tax Credit on Table E.

Step 7

Example: $138.94(E) − $70.00 (Tax credit, Table E) = $68.94 (F) Annual tax amount

$ (E) − $ (Tax credit, Table E) = $ (F) Annual tax amount

B. STATE WITHHOLDING TAX (continued)

TABLE E

TAX CREDIT TABLE

MARITAL STATUS	NUMBER OF EXEMPTIONS										
	0	1	2	3	4	5	6	7	8	9	10
SINGLE	$0	$35	$46	$57	$68	$79	$90	$101	$112	$123	$134
MARRIED/ HEAD OF HOUSEHOLD	$0	$35	$70	$81	$92	$103	$114	$125	$136	$147	$158

Step 8

Example: $68.94 (F) ÷ 12 months = $5.75
Annual tax amount — Monthly tax amount

$ (F) ÷ 12 months = $
Annual tax amount — Monthly tax amount

5. NET PAY COMPUTATION

Step 1

Example:

$ 70.33 Social Security	$ Social Security
+ $ 26.83 Retirement	+ $ Retirement
+ $ 100.54 Federal Tax	+ $ Federal Tax
+ $ 5.75 State Tax	+ $ State Tax
+ $ Other Deductions	+ $ Other Deductions
+ $ Other Deductions	+ $ Other Deductions
+ $ Other Deductions	+ $ Other Deductions
$ 203.45 Total Deductions	$ Total Deductions

Note: You may have other deductions, such as a Credit Union payment, association dues, or insurance premium.

Step 2

Example: $1,049.75 Monthly salary - $ 0 Deferred Comp. - $203.45 Total Deductions (from Step 1) = $846.30 Net Pay

$ Monthly salary - $ Deferred Comp. - $ Total Deductions (from Step 1) = $ Net Pay

ATTACHMENT 9

REDUCED WORKTIME EMPLOYEE SURVEY

SECTION A: BACKGROUND AND DEMOGRAPHIC INFORMATION

(If the surveyor wishes to obtain information about which employees both now and in the future are likely to want reduced worktime, this section should be included. Many surveys have been conducted without collecting this information.)

Please circle one alternative for each question:

1. SEX
   (1) Male
   (2) Female

2. AGE
   (1) Under 18
   (2) 18-24
   (3) 25-34
   (4) 34-44
   (5) 45-54
   (6) 55-64
   (7) 65 and over

3. MARITAL STATUS
   (1) Single, never been married
   (2) Married
   (3) Separated, divorced, or widowed

4. FAMILY STATUS
   (1) No dependents
   (2) 1-2 dependents
   (3) 3-5 dependents
   (4) More than 5 dependents

5. CURRENT DIVISION (List of all the divisions/departments here.)

6. LENGTH OF TIME WORKED FOR EMPLOYER
   (1) Less than one year
   (2) 1-5 years
   (3) 6-10 years
   (4) More than 10 years

7. PRESENT SCHEDULE
   (1) Full time
   (2) Part time

8. STATUS
   (1) Permanent
   (2) Temporary or provisional

9. CURRENT POSITION CLASSIFICATION (List or leave blank for employee to fill in.)

SECTION B: WORK TIME PREFERENCE

(This section is the heart of the survey. It is designed to provide information on how many people want reduced worktime and the kinds of reduction they want. The surveyor may wish to state here that fringe benefits under this program will remain intact and respondents should bear that in mind when answering the question. Alternately, a question could be included that would assess the importance of benefits in determining the respondents' choice.)

10. Would you be interested, now or in the future, in reducing the amount of time you work with a commensurate reduction in pay? Agencies that conducted surveys indicated that there was some dropoff from the number interested to the number who eventually participated.

(1) Yes, definitely
(2) Probably
(3) Maybe
(4) No

If you answered no to this question, please skip all of the remaining questions.

11. Please indicate when you might be interested in reducing your time base.

(1) Immediately
(2) Within the next six months
(3) Within six months to a year
(4) Within one to three years
(5) Over three years

12. Reduced worktime schedules can be arranged in various ways. Please indicate which of the following best describes what you might be interested in.

(1) Regular time off. (This means working fewer hours every day, fewer days every week, fewer weeks each month, or fewer months each year.)

(2) Irregular, but planned time off. (This means working your full-time schedule and taking your time off by taking occasional days off or by taking blocks of time off, for example, adding your time onto your vacation.)

13. If your answer to question 12 was #1, please indicate which schedule appeals to you most.

(1) Working fewer hours each day
(2) Working fewer days each week
(3) Working fewer weeks each month
(4) Working fewer months each year.

14. What percentage best reflects how much time you would like to cut back?

(1) 2.5%
(2) 5%
(3) 10%
(4) 15%
(5) 20%
(6) 40%
(7) 50%

SECTION C: REASONS FOR WORK TIME PREFERENCE

(Like section A, this may not be of interest to those conducting the survey and may be omitted.)

15. If you were to exchange some of your income for reduced work time, how important would the following reasons be in your decision? (Mark the number which most closely reflects your feeling.)

More time for family life and household activities	(1)	(2)	(3)
More time for leisure activities	(1)	(2)	(3)
More time for volunteer work	(1)	(2)	(3)
More time for furthering my education	(1)	(2)	(3)
More time for income producing hobby	(1)	(2)	(3)
More time for a second career	(1)	(2)	(3)
Health would benefit	(1)	(2)	(3)
Transition to retirement or semiretirement	(1)	(2)	(3)

Relief from tedious or boring nature of my job	(1)	(2)	(3)
Relief from stress and fatigue of the job	(1)	(2)	(3)

16. The following reasons might prevent you from exchanging some of your income for reduced work time. How important would these reasons be in your decision not to reduce your work time? (Mark the number which most closely reflects your feeling.)

Financial reasons	(1)	(2)	(3)
I enjoy working full time	(1)	(2)	(3)
My job is not suitable for reduced/alternative work time	(1)	(2)	(3)
My productivity would decline	(1)	(2)	(3)
My transportation (car pool, bus, etc.) arrangements would be affected.	(1)	(2)	(3)
My child care arrangements would be affected.	(1)	(2)	(3)
It would take longer to become eligible for promotion	(1)	(2)	(3)
I feel that the management would view reduced working hours negatively; I would lose status in my work group and organization	(1)	(2)	(3)
I feel that it would reduce my chances for promotion	(1)	(2)	(3)
I am afraid I would not be able to work full time again if I need to	(1)	(2)	(3)
It would affect my retirement income.	(1)	(2)	(3)

ATTACHMENT 10
Model A

V-TIME PARTICIPANT EVALUATION

EDD has piloted the V-Time program, a variation of Reduced Work Time, since April 1, 1982. The goals were to reduce the possibility of layoffs, to provide additional hours for permanent intermittents through reduced full-time employment, and to provide employees with a range of work time options designed to facilitate personal needs and productivity.

The purpose of this survey is to assess whether we are accomplishing our goals, evaluate other benefits or problems associated with V-Time, and to identify trends, if any, regarding the kinds of employees who are choosing the V-Time option.

Please read the instructions on the back of your answer sheet, review the sample question, and fill in the appropriate circles corresponding with the responses which most accurately express your experience and personal data on the attached survey. Return the completed answer sheet and blank questionnaire to your manager, who will batch them and return them to Personnel Programs Division.

SAMPLE QUESTION

Read the directions for marking answers on the back of the answer sheet. Mark the response of your choice on the attached answer sheet.

S-1. V-Time is a form of reduced work time in which employees may choose to reduce income over a six- or twelve-month period in return for an equivalent number of days or hours off over the agreement period. How interested are you in reducing income in return for extra time off?

a. very interested

b. somewhat interested

c. neutral

d. not very interested

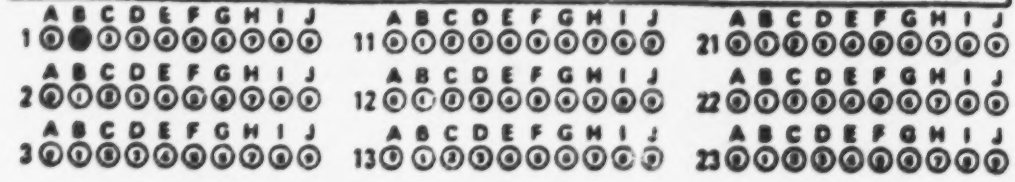
e. not at all interested

If you are somewhat interested, you would mark Response B as shown.

SIDE 1

GENERAL PURPOSE — NCS — ANSWER SHEET

SEE IMPORTANT MARKING INSTRUCTIONS ON SIDE 2



Please do not complete the self-identification information on the answer sheet, or sign your name. All information is being collected anonymously. Please do not discuss the questionnaire with your co-workers until all are handed in.

1. V-Time is a form of reduced work time in which employees may choose to reduce income over a six- or twelve-month period in return for an equivalent number of days or hours off over the agreement period.

   How strongly do you favor or disfavor V-Time?

   a. Extremely Favor

   b. Strongly Favor

   c. Moderately Favor

   d. Slightly Favor

   e. No Opinion

   f. Slightly Disfavor

   g. Moderately Disfavor

   h. Strongly Disfavor

   i. Extremely Disfavor

Read this carefully before completing Questions 2-15.

If you chose a V-Time work schedule, how important are the following reasons in your decision? (Mark the number which most closely reflects your feeling.)

	Not Important			Somewhat Important			Very Important		
2. More time for family life and household activities.	0	1	2	3	4	5	6	7	8
3. More time for leisure activities.	0	1	2	3	4	5	6	7	8
4. More time for volunteer work.	0	1	2	3	4	5	6	7	8
5. More time for furthering my education.	0	1	2	3	4	5	6	7	8
6. More time for income-producing hobby.	0	1	2	3	4	5	6	7	8
7. More time for a second career.	0	1	2	3	4	5	6	7	8
8. Health would benefit.	0	1	2	3	4	5	6	7	8

	Not Important			Somewhat Important			Very Important		
9. Transition to retirement or semiretirement.	0	1	2	3	4	5	6	7	8
10. Relief from tedious or boring nature of my job.	0	1	2	3	4	5	6	7	8
11. Relief from stress and fatigue of the job.	0	1	2	3	4	5	6	7	8
12. My transportation (car pool, bus, etc.) arrangements would be improved (cheaper, more convenient, etc.).	0	1	2	3	4	5	6	7	8
13. My child care arrangements would be improved (cheaper, more convenient, etc.).	0	1	2	3	4	5	6	7	8
14. Facilitate an extended vacation.	0	1	2	3	4	5	6	7	8
15. Other (Please write this answer, if any, on a separate sheet of paper. Please do not staple to the answer sheet.)	0	1	2	3	4	5	6	7	8

16. Which option have you chosen?

    a. Regular days or hours off

    b. Occasional, irregular days off

    c. Extended time off

17. What duration agreement period did you sign up for?

    a. 6 months

    b. 12 months

18. Do you plan to (or have you already) extend your agreement for another six months (if applicable)?

    a. Yes

    b. No

    c. Not applicable (i.e., there will not be sufficient time during the pilot period to extend an additional six months).

    d. Undecided

19. Would you like to continue V-Time after conclusion of the pilot?

    a. Yes

    b. No

    c. Undecided

20. Your age.

    a. Under Age 20

    b. 20 through 24

    c. 24 through 29

    d. 30 through 34

    e. 35 through 39

    f. 40 through 44

    g. 45 through 49

    h. 50 through 54

    i. 55 or over

21. Sex.

    a. Female

    b. Male

22. Which of the following categories identifies your highest level of education?

    a. Grade School

    b. Some High School

    c. High School Graduate

    d. Vocational or Trade School Graduate

    e. Some College

    f. A.A. Degree

    g. College Graduate

    h. Graduate Study

23. Marital status.

    a. Married

    b. Single (Never Married)

    c. Divorced or Separated

    d. Widowed

24. If married, is spouse employed outside the home?

    a. No, works in the home

    b. Yes, works part time

    c. Yes, works full time

25. Number of children living at home.

    a. None

    b. One

    c. Two

    d. Three

    e. Four

    f. Five or More

26. What is the age of the youngest child living in your home?

    a. No Children

    b. Under 1 Year

    c. 1-4 Years

    d. 5-10 Years

    e. 11-16 Years

    f. Over 16 Years

27. Please choose the following category which best describes your classification.

    a. Clerical, Account Clerk, Janitor, Key Data Operator

    b. Accounting Technician, Accountant I, Program Technician, Employment Program Assistant, Employment Program Technician, E&CA, Data Processing Technician

    c. EPR, UIA, DIPR, Tax Auditor, Fiscal Management Auditor, Accounting Officer, Tax Compliance Representative, Staff Services Analyst, Associate Analyst, Research Analyst, State Financial Examiner, Programmer, Data Processing Analyst, Legal Counsel, Staff Counsel, Special Investigator, Senior Special Investigator

    d. EPS, DIPS, Tax Compliance Supervisor

    e. EPM, DIPM, Supervising Tax Auditor, Tax Administrator, Supervising State Financial Examiner, Research Manager, Staff Services Manager, Data Processing Manager, Supervising Special Investigator

28. Please indicate your (V-Time) time base. (Time base listing continues in No. 29.)

    a. 19/20

    b. 18/20 (9/10)

    c. 7/8

    d. 17/20

    e. 16/20 (8/10)

    f. 15/20 (6/8)

    g. 14/20 (7/10)

    h. 13/20

    i. 5/8

    j. 12/20 (6/10)

29. Your time base, continued

    a. 11/20

    b. 10/20 (5/10, 4/8)

30. If you have any comments you would like to make on the V-Time process, your own experiences, problems, or suggestions to improve the program, etc., please write them on a separate sheet of paper and hand them in along with your answer sheet (please <u>do not</u> staple to the answer sheet).

ATTACHMENT 10
Model B

OFFICE MANAGER/SECTION CHIEF V-TIME EVALUATION

EDD has piloted the V-Time program, a variation of Reduced Work Time, since April 1, 1982. The goals were to reduce the possibility of layoffs, to provide additional hours for permanent intermittents through reduced full-time employment, and to provide employees with a range of work-time options designed to facilitate personal needs and productivity.

The purpose of this survey is to assess whether we are accomplishing our goals, and evaluate other benefits and/or problems associated with V-Time.

Please read the instructions on the back of your answer sheet, review the sample question and fill in the appropriate circles corresponding with the responses to the questionnaire which most accurately express the experience in your office. Return the completed answer sheet and blank questionnaire, along with V-Time participants' answer sheets and questionnaires as directed in the instruction memo, to Personnel Programs Division.

SAMPLE QUESTION

Read the directions for marking answers on the back of the answer sheet. Mark the response of your choice on the attached answer sheet.

S-1. V-Time is a form of reduced work time in which employees may choose to reduce income over a six- or twelve-month period in return for an equivalent number of days or hours off over the agreement period. How interested are you in reducing income in return for extra time off?

a. very interested

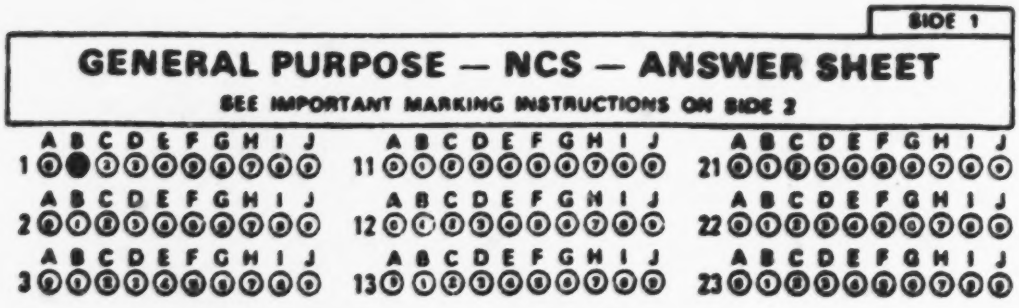
b. somewhat interested

c. neutral

d. not very interested

e. not at all interested

If you are somewhat interested, you would mark Response B as shown.



1. In general, has the employee response to V-Time in your organizational unit been:

Enthusiastic			Somewhat interested				Cautious			Negative
10	9	8	7	6	5	4	3	2	1	0

---

2. How would you characterize the supervisory response to V-Time in your organizational unit:

Enthusiastic			Supportive			Accepting but not genuinely supportive				Negative
10	9	8	7	6	5	4	3	2	1	0

---

3. Have you or any of your management team (manager/section chief and supervisors) signed up for V-Time?

   a. Yes, myself

   b. Yes, other supervisors

   c. Yes, both

   d. No

4. Which time base applies most frequently to management V-Time usage in your office?

   a. 18/20 (9/10), 19/20

   b. 15/20 (6/8), 16/20 (8/10), 17/20, 7/8

   c. 12/20 (6/10), 5/8, 13/20, 14/20 (7/10)

   d. No management team member signed up for V-Time

5. Which time off option applies most frequently to management V-Time usage in your office?

   a. Regular days or hours off

   b. Occasional irregular days off

   c. Extended time off

   d. No management team member signed up for V-Time

6. What has been the approximate number of V-Time requests in your office/ section?

   a. 0-3

   b. 4-10

   c. 11-20

   d. 21-40

   e. More than 40

7. Approximately what percent of these requests have been approved?

   a. Less than 10 percent

   b. 10-25 percent

   c. 26-50 percent

   d. 51-75 percent

   e. More than 75 percent

8. Please select the ordering which most nearly reflects the frequency with which employees have selected the time off option (i.e., 1st means most employees selected this option, 3rd means least employees selected this option).

   a. Regular days or hours off (1st), occasional irregular time off (2nd), extended time off (3rd)

   b. Regular days or hours off (1st), extended time off (2nd), occasional, irregular days off (3rd)

   c. Occasional, irregular time off (1st), extended time off (2nd), regular days or hours off (3rd)

   d. Occasional, irregular time off (1st), regular days or hours off (2nd), extended time off (3rd)

   e. Extended time off (1st), occasional, irregular time off (2nd), regular days or hours off (3rd)

   f. Extended time off (1st), regular days or hours off (2nd), occasional, irregular time off (3rd)

   g. Other

9. Have you been able to accommodate requests with:

   a. Little or no organizational or workload adjustment

   b. Moderate organizational or workload adjustment

   c. Major organizational or workload adjustment

10. How have you been able to continue to get the work of your unit done when employees are off on V-Time?

   a. Little or no adjustment necessary

   b. Moderate adjustment of assignments necessary

   c. Called in permanent intermittent or seasonal employees

   d. Remaining staff has carried extra work

   e. Remaining staff has worked overtime

11. Did V-Time mitigate any staffing/ceiling problems you may have had prior to April 1, 1982?

   a. Yes

   b. No

   c. No problems prior to April 1

12. How does your current staffing relate to your ceiling?

   a. Below ceiling

   b. At ceiling

   c. Above ceiling

13. How have other departments, local jurisdictions, employers, claimants, etc., with whom your staff works responded to the V-Time program?

Interested				Supportive				Don't Care		Negative
10	9	8	7	6	5	4	3	2	1	0

14. How has V-Time affected delivery of service to other departments, local jurisdictions, employers, claimants, etc., with whom your staff works?

    a. No change

    b. Services slightly improved

    c. Services markedly improved

    d. Services slightly impaired

    e. Services markedly impaired

15. How many (if any) early withdrawals from V-Time have been requested?

    a. None

    b. 1-5

    c. 6-10

    d. More than 10

16. What reasons have been given most often for early withdrawal?

    a. Need the money

    b. Too much work to do

    c. Personal

    d. Other

17. How many management-initiated early terminations of V-Time agreements have been required?

    a. None

    b. 1-5

    c. 6-10

    d. More than 10

18. Would you support a continuation of the V-Time concept beyond June 30, 1983?

    a. Yes

    b. Yes, with program modifications (Please specify recommended modifications on a separate piece of paper and return with your completed questionnaire.)*

    c. No (Please specify reasons for opposition on a separate piece of paper and return with your completed questionnaire.)*

19. If you have any additional comments you would like to make regarding the V-Time Program (your experience, complaints, benefits, etc.), please write them on a separate sheet and submit them with your completed questionnaire. This should include any comments your attendance clerk might have regarding the V-Time program and record-keeping process.*

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*Although you may submit your comments anonymously, we would appreciate it if you would sign them, and indicate your ARU, should we need to follow up with you in person regarding your comments. Please do not staple the supplemental sheets to your answer sheet.

ATTACHMENT 11

SENATE BILL No. 370

An act to add and repeal Article 3 (commencing with Section 18030) to Chapter 1 of Part 1 of Division 5 of Title 2 of the Government Code, relating to employment, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 370, as amended, Mills. Employment: reduced worktime program.

The existing law states the policy of the state that the workweek of state employees shall be 40 hours.

This bill would enact a reduced worktime program to provide that whenever a reduction equivalent to 1% or more of full-time equivalent jobs is contemplated in the personnel of state agencies or departments, employees in such agencies or departments shall be permitted, under certain circumstances, to voluntarily reduce their worktime. Employees would be required to be informed of the terms and conditions of such reduced worktime program, including, among other things, their rights with respect to returning to full-time work at a later date.

This bill would require the State Personnel Board to adopt rules and guidelines relating to reduced worktime programs, and to submit reports, in cooperation with the Public Employees' Retirement System, to the Legislature on June 30, 1981, and June 30, 1982, relating to such programs.

This bill would specifically permit any employee who is being coerced, or who has been required, to involuntarily reduce his or her worktime, to file a grievance.

The bill would specify that its provisions shall not be construed to supersede or impair any contrary provisions contained in an existing collective bargaining agreement.

The bill would take effect immediately as an urgency statute.

This bill would remain in effect only until June 30, 1982, and would be repealed as of that date unless a later enacted statute which is chaptered before June 30, 1982, deletes or extends such date.

Vote: ⅔. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Article 3 (commencing with Section 18030) is added to Chapter 1 of Part 1 of Division 5 of Title 2 of the Government Code, to read:

Article 3. Reduced Worktime Program

18030. The Legislature finds and declares that, notwithstanding the fact that a reduction in the overall personnel budget of state government may be found necessary and prudent in the course of events, it is in the public interest to provide the highest quality of service to the taxpayers of California. Providing that service requires, among other things, the maintenance of high morale among public employees, the ability to attract the most competent and dedicated new employees to public service in the years ahead, as well as to preserve to the maximum extent the pool of skilled employees now in public service. Therefore, it is the intent of the Legislature in enacting this article to maximize the preservation of employment opportunities of public servants, to the extent that budgetary and efficiency objectives may be achieved, with a minimum of layoffs or other avoidable dislocations of careers.

18031. In the event that a reduction in the personnel of departments and agencies of state government, equivalent to 1 percent or more of full-time equivalent jobs is contemplated in a single fiscal year, and only in such circumstances, each department or agency affected by such reductions shall permit employees to voluntarily reduce worktime on a basis consistent with administrative feasibility in order that employment opportunities will be preserved to the extent possible through a redistribution of workload. This article shall not be construed as a job creation program, nor shall any program be operated under this article which results in an increase in the total number of employees over levels existing in a participating department or agency during the fiscal year immediately preceding the fiscal year for which personnel reductions described in this section are contemplated.

18032. If the State Personnel Board determines that a personnel reduction, as described in Section 18031, is contemplated by the Governor's Budget, it shall conduct or direct each affected department or agency to conduct a survey of all permanent full-time employees to determine the extent of the desire of such employees to participate in a voluntary reduced worktime program.

18033. The survey required under Section 18032 shall contain information clearly informing employees as to the terms and conditions under which voluntary reduced worktime options would be available including, but not limited to, potential worktime options, the effect such a reduction would have on benefits, and the right to return to full-time work to the extent such work is available as specified in subdivisions (b), (c), and (d), respectively, of Section 18034.

18034. (a) Reduced worktime shall be permitted to the extent that it (1) contributes, through reducing costs, to the preservation of employment opportunities that would otherwise be eliminated because of the contemplated budget reduction, (2) is found administratively feasible and within the guidelines of the State Personnel Board by the appointing authority of the department for which an employee works, and (3) reflects the findings of, and is consistent with, the survey conducted pursuant to Section 18032.

(b) Reduced worktime options may be available in the form of fewer hours of work per day, or fewer days of work per year either on a regular basis such as a four-day workweek or on an irregular but planned basis such as occasional days off or an extended vacation.

(c) Voluntary worktime reductions shall result in a pro rata reduction of compensation to participating employees.

(d) Participating employees shall, upon request, be given first priority for returning to a full-time schedule to the extent that such full-time work is available. Participating employees shall return to full-time employment at the request of the appointing authority *pursuant to regulations adopted by the State Personnel Board which shall:*

(a) define conditions under which such a request by the appointing authority is appropriate, and (b) provide a reasonable grace period for allowing an employee to

make necessary personal arrangements for returning to full-time employment.

(e) If layoff becomes unavoidable, employees who participate in a voluntary reduced worktime program pursuant to this article shall not routinely be subject to layoff ahead of full-time employees. Such part-time employees shall be subject to the same seniority and other layoff considerations as full-time employees in determining the order of layoff.

18035. The State Personnel Board, in preparing to conduct and interpreting the results of the survey required by this chapter, and any department or agency of state government undertaking to design and implement a voluntary reduced worktime program for its employees pursuant to this chapter, may request technical assistance relating to reduced worktime concepts, methods, and programs from the Employment Development Department pursuant to the provisions of Resolution Chapter 103 of the Statutes of 1975.

18036. The State Personnel Board shall adopt appropriate rules and guidelines relating to reduced worktime programs which shall include, but not be limited to, guidelines for determining the minimum time to be worked by participating employees, and guidelines for determining the administrative feasibility of particular reduced worktime programs.

18037. Results of any survey conducted pursuant to Section 18032 and plans for implementation of any voluntary reduced worktime program to preserve employment opportunities pursuant to Section 18031 shall be transmitted forthwith to the Joint Legislative Audit Committee, the Joint Legislative Budget Committee, and the rules committee of each house of the Legislature. The report of such plans shall include but not be limited to an analysis of expected fiscal savings and the extent of preservation of employment opportunities anticipated from implementation of such plans.

18038. Any employee who is being coerced, or who has been required, by the appointing power, a supervisor, or another employee, to involuntarily reduce his or her worktime contrary to the intent of this article may file a grievance with the appropriate authority pursuant to the provisions of Article 24 (commencing with Section 540) of subchapter 1 of Chapter 1 of Division 1 of Title 2 of the California Administrative Code.

18038.5. Nothing in this article shall be construed to supersede or impair any contrary provisions contained in an existing collective bargaining agreement.

18039. The State Personnel Board, in cooperation with the Public Employees' Retirement System, shall prepare and submit to the Legislature, for referral to the appropriate policy committee of each house, a preliminary report by June 30, 1981, and a final report by June 30, 1982. Such reports shall include, but not be limited to, the following:

(a) The extent that reduced worktime programs are in use.

(b) The cost effectiveness of reduced worktime programs.

(c) The actuarial impact of reduced worktime programs.

(d) Recommendations on continuation of reduced worktime programs and suggested statutory changes.

18040. This article shall remain in effect only until June 30, 1982, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1982, deletes or extends such date.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In recognition of the fact that the unemployment level in California is relatively high and in order to minimize the impact that a reduction in the number of persons employed by the state would have on the state's economy, this act must take effect immediately.

ATTACHMENT 12

CHAPTER 817

An act to add Article 4 (commencing with Section 18041) to Chapter 1 of Part 1 of Division 5 of Title 2 of the Government Code, relating to reduced worktime.

LEGISLATIVE COUNSEL'S DIGEST

SB 1859, Rains. State employees: reduced worktime.

Existing law provides for a permissible reduced worktime program whenever a reduction equivalent to 1% or more of full-time equivalent jobs is contemplated in the personnel of state agencies or departments.

This bill would enact a reduced worktime program, defined as employment of less than 40 hours of work per week, for those individuals unable or not desiring a standard worktime. It would prohibit the impairment of employment rights or benefits of any employee and provide that the reduced worktime employees shall have the same rights during layoff as full-time employees. This bill would not apply to full-time state peace officers unless approved by the peace officers' appointing power.

This bill would require that the State Personnel Board and the Trustees of the California State University and Colleges system adopt rules and guidelines relating to reduced worktime implementation. It would allow employees forced or coerced into a reduced worktime or employees unreasonably denied the right to participate in the program to file employee grievances.

The people of the State of California do enact as follows:

SECTION 1. Article 4 (commencing with Section 18041) is added to Chapter 1 of Part 1 of Division 5 of Title 2 of the Government Code, to read:

Article 4. Reduced Worktime Act

18041. "Reduced worktime," as used in this article, means employment of less than 40 hours of work per week, and includes arrangements involving job sharing, four-, five-, or six-hour workdays, jobs which provide eight hours of employment or less for one, two, three, four or five days per week, and such other arrangements which the State Personnel Board finds consistent with maximum employment opportunity to employees desiring other than a standard worktime.

18042. It is the policy of the state that to the extent feasible, reduced worktime be made available to employees who are unable, or who do not desire, to work standard working hours on a full-time basis. Further, it is the intent of the Legislature that nothing in this act shall be used to reduce the number of full-time equivalency positions authorized to any department.

18043. (a) Any employee who is being coerced, or who has been required, by the appointing power, a supervisor, or another employee, to involuntarily reduce his or her worktime contrary to the intent of this article, or who has been unreasonably denied the right to participate in this program, may file a grievance with the State Personnel Board pursuant to the provisions of Section 18714.

(b) Any employee of the California State Universities and Colleges System who is being coerced, or who has been required by the appointing power, a supervisor, or another employee, to involuntarily reduce his or her worktime contrary to the intent of this article, or who has been unreasonably denied the right to participate in this program, may file a grievance pursuant to the procedures established by the Trustees of the California State University and Colleges.

(c) Nothing in this article shall impair the employment or employment rights or benefits of any employee.

(d) This article shall not apply to employees who are full-time state peace officers unless approved by the peace officers' appointing power.

18044. In counting the number of employees any state agency employs for purposes of any personnel ceiling, an employee employed on a reduced worktime basis shall be counted as a fraction which is determined by dividing 40 hours into the average number of hours that an employee works each week.

18044.5. (a) Permanent employees who voluntarily reduce their worktime shall, upon request, be given first priority for returning to a full-time work schedule to the extent that such full-time work is available. Such permanent employees shall return to full-time employment at the request of the appointing authority pursuant to regulations adopted by the State Personnel Board which shall define the conditions under which such a request by the appointing authority is appropriate and provide a reasonable grace period for allowing an employee to make the necessary personal arrangements for returning to full-time employment.

(b) If a layoff becomes unavoidable, persons employed on a reduced worktime basis shall not routinely be subject to the layoff ahead of full-time employees. These employees shall be subject to the same seniority and other similar considerations as full-time employees in determining the order of layoffs.

18045. If the provisions of this article are in conflict with the provisions of a memorandum of understanding reached pursuant to Sections 3517.5 and 3572, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

18046. All persons employed in reduced worktime positions pursuant to Section 18042, shall receive, on a pro rata basis, except for benefits provided under the Public Employees' Retirement Law and under the Public Employees' Medical and Hospital Care Act, all benefits customarily available to full-time employees of state agencies in similar classes or positions. With regard to benefits provided under the Public Employees' Retirement Law and under the Public Employees' Medical and Hospital Care Act, persons employed in reduced worktime positions shall receive such benefits as are provided by law for persons employed for less than full time.

18046.5. The State Personnel Board shall adopt appropriate rules and guidelines relating to reduced worktime implementation.

18046.7. The Trustees of the California State University and Colleges shall adopt the appropriate rules and guidelines relating to the implementation of the reduced worktime program for the employees of the California State University and Colleges system.

18047. This article shall be known and may be cited as the " Reduced Worktime Act."

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ATTACHMENT 13

Reduced Worktime Now An Alternative

State employees have the opportunity to work less than full-time without loss of employee rights. Under new legislation signed by Governor Brown, employees may ask their departments for the chance to work fewer hours per month in exchange for a proportionate reduction in pay and some benefits. Departments have been urged to grant such requests whenever possible.

A reduction in work hours may be particularly attractive to certain employees for whom the income exchanged for time off would put them in a lower tax bracket. In some cases, the reduction in take-home pay could be significantly less than the reduction in gross pay. As long as employees work at least half-time, they continue to receive the full State contribution to health and dental plans. Employees may reduce worktime by as much as 20 percent with only a negligible reduction in retirement service credit.

Other advantages of reduced worktime might include reduced transportation and day care costs. The following list provides more detailed information and describes additional features:

EMPLOYEES' REINSTATEMENT TO FULL-TIME: Reduced worktime employees who request return to a full-time schedule are given first priority for *available* full-time positions.

MONTHLY SALARY: Salaries are reduced by the same proportion that full-time work has been reduced. For example, a full-time employee earning a gross salary of $1,000 a month would earn $500 a month as a half-time employee.

VACATION: A less than full-time employee receives vacation on a pro rata basis. For example, a full-time employee who earns 10 hours of vacation a month would earn 10 hours of vacation in two months if they became a half-time employee.

SICK LEAVE: Sick leave is credited on a pro rata basis. For example, a half-time employee receives four hours of sick leave each month; a three-fifths time employee receives 4.8 hours each month (8 hours x 3/5 = 4.8 hours).

HOLIDAYS: Part-time employees are paid or credited with the proportionate amount of the day based on their time base; for example, a half-time employee would receive half a day of pay or credit for each holiday in the pay period. A three-fifths time employee would receive 4.8 hours pay or credit for each holiday in the pay period.

HEALTH BENEFITS: Employees working half-time or more will be entitled to the same health benefits as they did when working full-time. EMPLOYEES WORKING LESS THAN HALF-TIME ARE NOT ELIGIBLE TO RECEIVE HEALTH CARE BENEFITS.

RETIREMENT BENEFITS: Employees working half-time or more (an annual average of 87 hours per pay period) are eligible for retirement benefits as members in the Public Employees' Retirement System (PERS). In most cases, employees under the Retirement System pay 5 percent of their total monthly salary in excess of $513 per month.

NOTE to employees within three years of retirement:

Retirement benefits are based on the gross annual salary of the last three years of employment or any consecutive three-year period which the employee chooses. For employees working less than full-time, the gross salary will be calculated as if they had worked full-time; however, the service credit will be determined in direct proportion to the time worked.

MERIT AND SPECIAL IN-GRADE SALARY ADJUSTMENTS (MSA, SISA): A Merit Salary Adjustment (MSA) is a one-salary-step increase after 12 qualifying months. A Special In-Grade Salary Adjustment (SISA) is a one-salary-step increase after six qualifying months in certain designated classes. A less than full-time employee will receive a prorated amount of their MSA or SISA after the six or twelve months of continuous service; for example, a half-time employee and a full-time employee are hired on January 1, in the same job class, at the same salary step. Both employees may receive an MSA on January 1 of the following year. However, the full-time employee receives a $50 MSA and the half-time employee receives a $25 MSA.

LIFE INSURANCE: The life insurance benefit is provided to employees who are members of PERS. Employees must work half-time or more to be eligible to receive this benefit.

INDUSTRIAL DISABILITY LEAVE (IDL): An employee must be a retirement member and have completed the equivalent of six monthly compensated pay periods of service (within a period of 18 months) immediately preceding the disability.

STATE SERVICE CREDITS: Less than full-time service is accumulated until it equals one month of full-time service; for example, for a half-time employee, two months of work equals one month of full-time service; for an employee working one-eighth time, eight months of work equals one month of full-time service. Service credits determine such things as the rate at which vacation is earned, retirement eligibility, etc.

SENIORITY: Seniority credit for fractional time base employees is given on a pro rata basis.

Requests for reduced work hours will be evaluated by departments based on the work setting, cost factors and the need to maintain service to the public.

If you wish further information on your status or benefits when moving from full-time to part-time employment, contact your departmental personnel office.

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ATTACHMENT 14

State of California

Memorandum

To : Agency Secretaries and
Department Directors

Date : May 11, 1982

Subject: Reduced Worktime

From : Allen Paul Goldstein, Director
Department of Personnel Administration
Office of the Director

On February 8, a memo from the Governor's Office strongly recommended that employees be made aware of the possible advantages of reduced worktime options. Under both the Reduced Worktime Act and the Reduced Worktime Program, requests from employees to reduce their hours of work with a commensurate reduction in compensation should be granted, whenever possible. However, several reports indicate that managers and Personnel Officers are not well informed on reduced worktime options and have not been receptive to employee requests.

If any operational obstacles exist, your Personnel Officer should contact Marian Honeycutt of my staff for assistance with implementation. Participation in reduced worktime programs can result in significant budgetary savings and may provide a viable alternative to reductions in the work force.

The Department of Personnel Administration is required to report to the Legislature by June 30 information on the results of any reduced worktime surveys conducted by departments, the extent to which reduced worktime is in use, and the estimated cost savings resulting from reduced worktime schedules. Departments should, therefore, forward such information to our Department by June 10. Reports should be submitted to Marian Honeycutt, Department of Personnel Administration, 1115 - 11th Street, Sacramento, CA 95814. Marian's phone number is 324-0444 (ATSS 454-0444).

If you have any questions concerning reduced worktime, please feel free to contact me.

cc: Marian Honeycutt

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ATTACHMENT 15

SUMMARY OF REDUCED WORKTIME PROGRAMS BY REPORTING DEPARTMENT

DEPARTMENT	CONDUCTED SURVEY	NUMBER OF INTERESTED EMPLOYEES	ANTICIPATES SURVEY IN FISCAL 82/83	FORMAL REDUCED WORKTIME PROGRAM	NUMBER OF EMPLOYEES PARTICIPATING	ESTIMATED ANNUAL SALARY SAVINGS
Agricultural Labor Relations Board	NO		NO	NO	2	$ 4,336
Alcohol and Drug Programs*	NO		NO	NO	-0-	$ -0-
Air Resources Board	NO		NO	NO	3	$ 9,417
Board of Equalization	NO		NO	NO	50	No Estimate
Board of Prison Terms	YES	9		NO	-0-	$ -0-
California Community Colleges	YES	41		NO	-0-	$151,573
California Conservation Corps	NO		NO		-0-	$ -0-
California Postsecondary Education	YES	-0-			-0-	$ -0-
Conservation	NO		NO	YES	-0-	$ -0-
Corporations	YES	35			6	$ 42,624
Education	YES	241		YES		No Estimate
Employment Development Department				YES	1,021	No Estimate
Energy Commission	NO		YES		18	$ 16,000
Franchise Tax Board	NO			YES	140	$ 87,837
Health Services	NO		YES		99	No Estimate
Highway and Community Development*	NO		NO		4	$ 26,220
Industrial Relations	YES				15	$ 77,396
Insurance	NO		YES	YES	6	$ 10,944
Department of Justice	YES				10	$143,842
Military	NO		NO		1	$ 2,688
Motor Vehicles	NO		NO	YES	311	$ -0-

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DEPARTMENT						
Museum of Science and Industry*	NO		NO	NO	-0-	$ 4,533**
Office of Administrative Law	NO		NO	NO	3	$ 8,185
Office of Traffic Safety	NO		NO	NO	1	$ 3,312
Parks and Recreation	NO		YES	NO	-0-	$ -0-
Personnel Administration	NO		NO	NO	6	$ 32,259
Public Employment Relations Board	NO		NO	NO	4	$ 28,848
Public Utilities Commission				YES		No Estimate
Real Estate	YES	45		YES	32	$102,312
Rehabilitation	YES	307		NO	31	$241,320
Savings and Loan	YES	25				$ 25,839
Solid Waste Management Board	YES	23		NO	-0-	$ -0-
Seismic Safety Commission	NO		NO	-0-	-0-	$ -0-
State Compensation Insurance Fund	NO		NO	NO	21	Under $ 10,000
State Fire Marshall	NO		NO	NO	1	$ 7,020
State Lands Commission	NO		NO	NO	2	No Estimate
State Personnel Board	YES			YES	40	$ 42,000
State Teachers' Retirement System	NO		NO	YES	6	$ 30,170
Stephen P. Teale Consolidated Data Center Consolidated Data Center	NO		NO	NO	-0-	$ -0-
Transportation	NO		NO	YES	63	$21,4595
Unemployment Insurance Appeals Board	YES	40		NO	11	$ -0-
Water Resources	NO		YES			No Estimate
Youth Authority	NO			YES	10	No Estimate
General Services	NO			NO	9	$ 79,300

*Distributed information to employees via DPA Newsletter.
**Possible Savings.

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ATTACHMENT 16

STATE OF CALIFORNIA

DEPARTMENT OF PERSONNEL ADMINISTRATION

TITLE 2

(Register 84, No. 13—3-24-84)

Article 19. Reduced Worktime

599.830. Scope of Article.

This article shall apply to the Reduced Worktime Act. Reduced worktime arrangements include:

(a) Job sharing;
(b) Fewer hours of work per day;
(c) Fewer days of work per week;
(d) Supplemental time off as defined in Section 599.831;
(e) Other arrangements as agreed between the employee and appointing power, and approved by the Department of Personnel Administration.

NOTE: Authority cited: Sections 19815.4(d), 19816 and 19996.27, Government Code. Reference: Section 19996.20, Government Code.

HISTORY:

1. New section filed 2-9-84; effective thirtieth day thereafter (Register 84, No. 8).
2. New section refiled 2-27-84 to correct inadvertent omission of text from 2-9-84 order; designated effective 3-10-84 (Register 84, No. 8).
3. Editorial correction of HISTORY NOTE No. 2 filed 3-9-84 (Register 84, No. 12).

599.831. Supplemental Time Off.

(a) A full-time civil service employee may request supplemental time off, during a term not to exceed 12 consecutive monthly pay periods in exchange for a commensurate reduction in pay. If the appointing power determines the request is feasible pursuant to Section 599.833 the employee and appointing power shall enter into an agreement, stating the specific time or times that the supplemental time off may be used. The 12 monthly pay period term shall take effect at the beginning of a pay period.

(b) During the term of agreement, the participating employee's pay shall be reduced by a means of a fractional time base. Pay for hours worked, which are in excess of those required for the fractional time base elected but not in excess of those specified in the workweek group for the position or classification, shall purchase supplemental time off credit. The Director of the Department of Personnel Administration shall approve which fractional time base options shall be made available for employee request.

(c) Supplemental time off credit may accumulate from month to month during the term of the agreement.

(d) Supplemental time off may be utilized in the pay period in which it is accrued.

(e) All supplemental time off shall be used as agreed. If supplemental time off cannot be used during the term of the agreement, then payment shall be made at straight time during the pay period immediately following the termination of the agreement, or the employee shall be credited with an equivalent amount of compensating time off, according to the discretion of the appointing power. When payment is by cash it shall constitute payment in full for services rendered and no retroactive adjustment of pro rata benefits or service credit shall be made. An employee who separates from service without fault is entitled to a lump sum payment as of the time of separation for any accumulated supplemental time off. Such sum shall be computed by projecting the accumulated time on a calendar basis as provided in Government Code Section 19839(a). An employee who separates from service with fault is entitled to a lump sum payment as of the time of separation at straight time for any accumulated supplemental time off. The computation of such sum shall be based on actual accumulated time without projection as provided in Government Code Section 19839(b).

NOTE: Authority cited: Sections 19815.4(d), 19816 and 19996.27, Government Code.

HISTORY:

1. New section filed 2-9-84; effective thirtieth day thereafter (Register 84, No. 8).
2. New section refiled 2-27-84 to correct inadvertent omission of text from 2-9-84 order; designated effective 3-10-84 (Register 84, No. 8).
3. Editorial correction of HISTORY NOTE No. 2 filed 3-9-84 (Register 84, No. 12).

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599.832. Rights of Employees.

An employee shall not be coerced by the appointing power, a supervisor or another employee to reduce his or her worktime involuntarily; and an employee shall not be excluded from participation in reduced worktime when the conditions outlined in Government Code Section 19996.21 and Section 599.833 are met. Employees who have reduced their worktime shall not be assigned workload or mandatory overtime that is excessive in comparison to that assigned to other employees performing similar work under the same appointing power. Violation of any of the provisions of this Rule may be the basis for a grievance under Department of Personnel Administration Rules 599.855–599.872 or the applicable provisions of a Memorandum of Understanding.

NOTE: Authority cited: Sections 19815.4(d), 19816 and 19996.27, Government Code. Reference: Sections 19996.22 and 19996.25, Government Code.

HISTORY:

1. New section filed 4-3-81; effective thirtieth day thereafter (Register 81, No. 14).
2. Renumbering and amendment of former Section 524 to Section 599.832 filed 2-9-84; effective thirtieth day thereafter (Register 84, No. 8).
3. Renumbering and amendment of former Section 524 to Section 599.832 refiled 2-27-84 to correct inadvertent omission of text from 2-9-84 order; designated effective 3-10-84 (Register 84, No. 8).
4. Editorial correction of HISTORY NOTE No. 3 filed 3-9-84 (Register 84, No. 12).

599.833. Feasibility Determination.

When an employee requests reduced worktime, the appointing power shall determine if it is feasible for the new position to be a reduced worktime position.

Feasibility determination shall include consideration of, but not be limited to, cost, levels of service and the need to maintain adequate supervision.

NOTE: Authority cited: Sections 19815.4(d), 19816 and 19996.27, Government Code. Reference: Section 19996.21, Government Code.

HISTORY:

1. New section filed 2-9-84; effective thirtieth day thereafter (Register 84, No. 8).
2. New section refiled 2-27-84 to correct inadvertent omission of text from 2-9-84 order; designated effective 3-10-84 (Register 84, No. 8).
3. Editorial correction of HISTORY NOTE No. 2 filed 3-9-84 (Register 84, No. 12).

599.834. Personnel Reduction.

(a) Whenever the appointing power of a State department anticipates a personnel reduction equivalent to one percent or more of the department's full-time equivalent positions, the department shall so inform the Director of the Department of Personnel Administration and provide the facts upon which such anticipation is based.

(b) The Director shall thereafter make a determination as to whether the anticipated reduction meets the requirements of Government Code Section 19996.21(b). If the Director so determines, he/she shall direct the department to conduct a survey of all of its permanent full-time employees to determine the extent of the desire of such employees to participate in a voluntary reduced worktime program. The Director may also direct a department to conduct such a survey if the Director independently determines that the department is likely to experience a one percent personnel reduction.

(c) All such surveys shall use forms prescribed by the Director and be completed within 45 days, unless the Director determines that a shorter time is required in order to preserve employment opportunities. The department shall transmit the results of the survey to the Director of the Department of Personnel Administration.

NOTE: Authority cited: Sections 19815.4(d), 19816 and 19996.27, Government Code. Reference: Section 19996.21(b), Government Code.

HISTORY:

1. New section filed 4-3-81; effective thirtieth day thereafter (Register 81, No. 14).
2. Renumbering and amendment of former Section 520 to Section 599.834 filed 2-9-84; effective thirtieth day thereafter (Register 84, No. 8).
3. Renumbering and amendment of former Section 520 to Section 599.834 refiled 2-27-84 to correct inadvertent omission of text from 2-9-84 order; designated effective 3-10-84 (Register 84, No. 8).
4. Editorial correction of HISTORY NOTE No. 3 filed 3-9-84 (Register 84, No. 12).

599.835. Layoff of Reduced Worktime Employees.

When layoff occurs, reduced worktime employees shall not be routinely subject to layoff ahead of full-time employees. Layoff for such employees shall proceed as prescribed by Government Code Sections 19997–19997.14, Department of Personnel Administration Rules 599.840–599.850 and other related laws and Department rules.

NOTE: Authority cited: Sections 19815.4(d), 19816 and 19996.27, Government Code. Reference: Section 19996.24, Government Code.

HISTORY:

1. New section filed 4-3-81; effective thirtieth day thereafter (Register 81, No. 14).
2. Renumbering and amendment of former Section 523 to Section 599.835 filed 2-9-84; effective thirtieth day thereafter (Register 84, No. 8).
3. Renumbering and amendment of former Section 523 to Section 599.835 refiled 2-27-84 to correct inadvertent omission of text from 2-9-84 order; designated effective 3-10-84 (Register 84, No. 8).
4. Editorial correction of HISTORY NOTE No. 3 filed 3-9-84 (Register 84, No. 12).

599.836. Return to Full-Time Work.

This section governs the return to full-time work of employees who have voluntarily reduced their worktime pursuant to Government Code Section 19996.21.

(a) Upon completion of the term of a supplemental time off agreement, the employee shall be returned to full-time employment unless the employee and appointing power mutually agree to begin a new term. Such return shall be provided irrespective of any waiver of return rights under subsection (b)(1).

(b) The following provisions apply to all reduced worktime employees returning to full-time work except for those employees covered by subsection (a). This includes employees returning to full-time work from a supplemental time off arrangement prior to completion of the term.

(1) When an employee requests return to full-time work, the employee must be offered full-time employment in available departmental vacancies in the class and location in which the employee is serving at the time of the request. Vacant positions in that class and location may not be filled by transfers from within or outside the department; appointments from employment lists, including reemployment lists; or by permissive reinstatement, unless such employees have refused the position. At the discretion of the employee and with the approval of the appointing power, positions in different locations and classes for which the employee is eligible may be offered in lieu of a position in the same class and location.

Employees who refuse three offers of full-time work, as described in the preceding paragraph, may be considered to have waived their right to full-time employment offers for six months. Within each class and location, return to full-time work requests shall be considered on a first-come, first-served basis, with the requests of employees who had previously refused three offers being considered as new requests. Exceptions to this order of return may be made where warranted by instances of extreme employee hardship.

As used in this section, the same location shall be any work location that the employee could reasonably accept without a change in residence.

(2) At any time the department makes a determination that it is not administratively feasible to continue a position as a reduced worktime position, the appointing power may require the employee to return to full-time work. In determining which of a group of employees to recall to full-time work, departments may consider seniority, program needs, affirmative action and/or individual employee hardship. The method used in each such instance shall be clearly identified and shall be uniformly applied to all affected employees.

The appointing power must provide the employee with written notice of the required return at least 30 days prior to the date the employee is to report to work full time; except that in an emergency, such as flood, fire, or other extreme emergency, the appointing power may require the employee to work full time without prior notice for the duration of such emergency.

NOTE: Authority cited: Sections 19815.4(d), 19816 and 19996.27, Government Code. Reference: Section 19996.24, Government Code.

HISTORY:

1. New section filed 4-3-81; effective thirtieth day thereafter (Register 81, No. 14).
2. Renumbering and amendment of former Section 522 to Section 599.836 filed 2-9-84, effective thirtieth day thereafter (Register 84, No. 8).
3. Renumbering and amendment of former Section 522 to Section 599.836 refiled 2-27-84 to correct inadvertent omission of text of 2-9-84 order; designated effective 3-10-84 (Register 84, No. 8).
4. Editorial correction of HISTORY NOTE No. 3 filed 3-9-84 (Register 84, No. 12).

599.837. Reporting Programs.

State agencies shall report to the Department of Personnel Administration on their reduced worktime programs from time to time as required by the Director.

NOTE: Authority cited: Sections 19815.4(d), 19816 and 19996.27, Government Code. Reference: Sections 19815.4(d) and 19996.27, Government Code.

HISTORY:

1. New section filed 4-3-81; effective thirtieth day thereafter (Register 81, No. 14).
2. Renumbering and amendment of former Section 525 to Section 599.837 filed 2-9-84; effective thirtieth day thereafter (Register 84, No. 8).
3. Renumbering and amendment of former Section 525 to Section 599.837 refiled 2-27-84 to correct inadvertent omission of text from 2-9-84 order; designated effective 3-10-84 (Register 84, No. 8).
4. Editorial correction of HISTORY NOTE No. 3 filed 3-9-84 (Register 84, No. 12).

Article 20. Layoff and Demotion

599.840. Seniority Credit.

Service shall be accumulated by qualifying pay period as defined in Section 599.608.

(a) Seniority credit in a class that has been abolished, combined, divided or otherwise altered shall be granted at the rate of one point for each qualifying pay period.

(b) Service that is part time shall receive seniority credit at the fraction of the full-time rate that corresponds to the employee's time base. In order for a part-time month of service to qualify for fractional seniority credit an employee working in an agency in which the full-time workweek is 40 hours, must work at least that fraction of 88 hours that corresponds to the employee's time base. This standard shall be proportionately adjusted for service in agencies in which the full-time workweek is other than 40 hours.

ATTACHMENT 17

SAN MATEO COUNTY V-TIME ANNUAL PROGRAM PARTICIPATION & SAVINGS
FROM 1977 - 1984

TIME PERIOD	# EMPLOYEES WHO APPLIED	# EMPLOYEES WHO PARTICIPATED	SAVINGS *
OCT. 30, 1977 - JUNE 24, 1978 (APP. 8 MOS.)	150	70	$39,600
AUG. 20, 1978 - JUNE 23, 1979 (APP. 10 MOS.)	130	104	$127,400
JULY 8, 1979 - JUNE 21, 1980 (APP. 12 MOS.)	NOT AVAIL.	101	$155,526
JUNE 22, 1980 - JUNE 20, 1981	NOT AVAIL.	103	$206.537
JUNE 21, 1981- 1982	NOT AVAIL.	164	*
JUNE 20, 1982- JUNE 18, 1983	NOT AVAIL.	157	*
1983- 1984	NOT AVAIL.	157	*

* The San Mateo County personnel department discontinued tracking this information in 1981 because "savings were computed up front among initial applications without being adjusted for terminations, transfers, merit increases, or modified by costs of printing, communication costs or administrative time and thus represented misleading conclusions."

ATTACHMENT 18

SAN MATEO COUNTY

Number of Employees on V-Time by Department
Fiscal year 1982-83

DEPARTMENT	5%	10%	20%	TOTAL
Civil Defense	-	-	1	1
Public Works	-	4	1	5
Sheriff	-	1	3	4
Coroner	2	-	-	2
Assessor	7	4	2	13
General Services	2	3	-	5
County Clerk	-	-	1	1
Public Health	2	5	2	9
Chope	6	-	-	6
Crystal Springs	-	1	1	2
Mental Health	16	16	16	48
Social Services	37	-	3	40
Library	1	1	-	2
ETD	-	1	-	1
Agriculture Ext	1	-	-	1
Agriculture	-	1	1	2
Environmental Mgmt	-	-	1	1
Planning	4	1	-	5
HCD	-	3	-	3
Parks	-	3	-	3
Environmental Health	1	2	-	3
TOTALS	79	46	32	157

ATTACHMENT 19

SUPPLEMENTARY READING

"Changing Times:the use of reduced work time options in the United States" by Barney Olmsted. International Labour Review ,v.122,no.4, July-August, 1983 p.479-492.

"Exchanging Earnings for Leisure: findings of an exploratory national survey on work time preferences", U.S. Dept. of Labor, Employment and Training Administration, 1980. R & D Monograph 79.

"Salary-hours Tradeoff for State Employees" by Bob Taylor, Sacramento Union , March 27,1982.

The Work/Leisure Trade Off:Reduced Work Time for Managers and Professionals by Ann Harriman. Praeger Publishers, N.Y., 1982.

"Voluntarily Reduced Work Time" by Nan McGuire, The Dislocated Worker , [N.A.B.], Seven Locks Press, MD, 1983.

Working time Reduction and Unemployment by R.C. Van Den Burgh and H. Wittelsburger. The Conference Board in Europe, 1983.